The Maritime Provinces in Wartime (p. 15 to 26)

THE FINANCIAL POST

The Canadian Newspaper for Businessmen and Investors

Largest Circulation of All Canadian Financial Papers

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Tax Changes Urged 4
Canada's Base Metals .. 28
War Output Summary .. 7
In Your Opinion 3

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The Nation's Business

The One Foundation Of Social Security

The striking brochure just issued by Dominion Engineering Works of Montreal, entitled "Employment, the Foundation of all Social Security," is significant for two reasons:

It is very significant that business should now be starting to talk and to talk seriously. For much too long business was silent and society heard little but the gospel of the irresponsible and the revolutionary.

The brochure is significant also for what it says and how well it says it. While the authorship is not revealed in the pamphlet, The Financial Post learned that it was written by H. G. Welsford, vice-president and general manager.

It carries only the name of the company, hence it can only be assumed that this excellent statement carries the judgment and support of the company officers;

G. H. Duggan, chairman.
W. F. Angus, president.
H. G. Welsford, vice-president and general manager.
F. W. Evens, secretary, J. S. Houston, treasurer.
Directors: G. H. Montgomery, K.C., R. E. Stavert, Howard Murray, O.B.E., Norman J. Dawes, Paul F. Sise, L. J. Belnap, W. Taylor-Bailey, H. H. Vaughan, Morris W. Wilson and James Wilson, all of Montreal.

The pamphlet develops this simple but often so poorly understood truth: that, as the title states, employment is the foundation of all social security; that to give employment someone always has to risk savings; that to get savings individuals have to exercise thrift and that government tax policies should be designed to protect thrift and to promote savings.

While a few periodicals like The Financial Post and some public speakers have long been pointing out that capital is the indispensible prerequisite of employment, whether a man works at his own business or somebody else's, the more who will come out stating that simple truth the better. Such fantastic promises are being made by the irresponsible, such silly schemes for social and economic magic are being so widely circulated, that it is necessary to review some elemental facts about the way society works.

For those who do not need to be reminded or reassured of some basic social truths, the most interesting part of the pamphlet will be the proposals for changes in our tax system.

This is no wail against high taxation. It is a studied, constructive plea for the right kind of taxation; for taxation that will permit the accumulation of capital which is essential to job-making and job-maintenance; which will encourage employment of that capital in projects which are truly enterprising.

The recommendations are tabulated in a digest of the pamphlet published on page four of this issue.

While government spokesmen avow a desire to reduce taxes after the war, public enthusiasm for gigantic schemes of government spending are widespread. Present tax levels would strangle the business system in time of peace. It could not perform its social function of providing jobs and producing goods. And the business system can't do its job as well as it can or should under the tax system of 1939, either.

The statement concludes:

"There has never been a time in history when, in this country, and others, there has been such a large proportion of our population well educated and trained in business and in the technical arts and processes. With their ingenuity and skill it should be possible to produce a standard of living far better than ever known before, provided we give private enterprise the incentive and encouragement to give them the tools to work with. Without these tools there will be little or no progress and they will remain unemployed, unable to produce what is necessary to provide for their own future security.

Believers in democracy and in the system of individual enterprise do and must demand that that system work better than ever before.

A system of taxation which is business-making rather than business-breaking is what Canada must achieve.

Our fiscal authorities have done outstanding work with our war finance problems; have put Canada in a place of honor among all the nations with their skilful and farsighted management of wartime fiscal policies. We should be able to expect and to get the same brand of fiscal administration afterward.

* * *

HOW MUCH SHOULD OTTAWA BORROW?

Socialists who want to get Canada enmeshed in totalitarianism, and some grandiose planners for the dispensing of other people's money, are using current public bedazzlement at the billions being spent on the war effort to foster the view that there is a difference between the money government borrows and the money a business borrows.

They argue that government can go on and on piling up public debt and that the result somehow is going to be prosperity, not ruin, as the same course would bring for the individual concern.

John W. Hanes, former undersecretary of the United States treasury, writing in Barron's, states:

"When a corporation borrows a million dollars and builds a factory it produces goods. It sells the goods at a profit. Thus it gets for itself an income out of which it can pay the interest on the money it borrowed and ultimately the debt itself. But the government, save in exceptional cases, builds no factories, opens no stores. It produces no goods and few services which it offers for sale. Hence the money it borrows creates no revenue out of which the interest or the debt can be paid. The government can get money to pay the interest only by taxing it out of those individuals and private industries that are paying their own way. As it taxes them more and more heavily to pay interest on an ever-increasing debt, it makes it harder for them to pay their own way. Such government borrowing, then, eventually becomes not only sterile in itself but also destructive of the consumer's purchasing power and of the fertility of private enterprise.

"And there is another difference, even more important. If I, as a private citizen, borrow a million and spend it on charity—inventing jobs for men—I do a certain amount of good. But when the million is spent my charity is at an end. If I wish to keep on hiring those men, I must borrow and spend another million. Now suppose, not as charity but as a business proposition, I borrow a million and build a factory. I hire men to build it and operate it. I buy raw materials, produce goods and send them to market. With the money I receive for my product I can go on hiring the men and continue to buy raw materials. I have created an organism which is an instrument of continuous wealth production and continuous employment."

Mr. Hanes should have pointed out that some government borrowing may be productive—in the same sense as private borrowing is usually productive and job creating.

Government can and sometimes does borrow money to spend on projects which breed projects. There is a big and most important field for government enterprise in forest conservation, flood control, city planning and rehabilitation, highway development and other projects which, by making the community more efficient and prosperous, foster more efficient and prosperous enterprise by individual businesses.

But Hanes argues well that government dissipation of public funds on bureaucracy and pork-barreling public works is dangerous and that the currently growing indifference to climbing public debt can only be disastrous.

Not blind, angry and undiscriminating condemnation is the cure. Public demand for high quality administration, well principled M.P's and greatly increased vigilance as to the expenditure of public funds is what is needed.

Ottawa Sees New Threat To Ceilings

Steady Rise in U. S. Prices Complicates Canada's Anti-inflation Fight

By STAFF WRITER

OTTAWA.—New alarm at the soaring trend of prices in the United States has been aroused at Ottawa by latest official U. S. price indices.

For the last two months, there has been a hiatus in U. S. figures because of reconstruction of the indices at Washington. Now that the figures have come through for March and April, some startling and rapidly widening "gaps" are disclosed as between Canadian and United States price statistics.

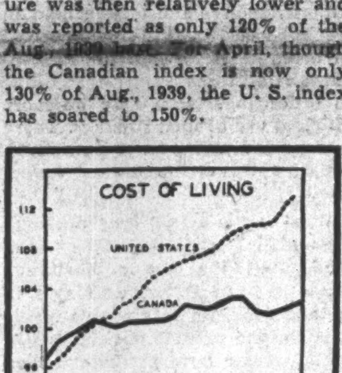
Most striking gaps in the price "lines" of the two countries have occurred in wholesale prices for food products and in food prices at retail.

Here is the bad news for Canada's anti-inflationary controls:

1. Farm Product Prices at Wholesale.—When Canada stabilized wages and prices in Oct., 1941, her index of farm prices at wholesale was 27% above the pre-war (Aug., 1939, equals 100) base. At that time the corresponding U. S. index had risen 48% from pre-war.

The new April figures show that while Canada's index has risen from 127% to 157% of pre-war since Oct., 1941, the U. S. index has risen from 148 to 203.1%. Thus the U. S. index appears to be climbing twice as fast as its Canadian counterpart; is now more than double what it was in Aug., 1939.

2. Food Prices at Retail.—When Canada froze prices in Oct., 1941, our retail food index was 25% greater than it had been at the outbeak of war. (Aug., 1939, equals 100). The corresponding U. S. figure was then relatively lower and was reported as only 120% of the Aug., 1939 base. For April, though the Canadian index is now only 130% of Aug., 1939, the U. S. index has soared to 150%.



Were May or June figures available, the record of the two countries would be even more alarming so far as Canada's wage-price control machinery is concerned. Prices in the United States have climbed much higher since April.

Canadian price control authorities believe it is quite possible to isolate the price-wage controls of the two countries "mechanically." What is feared is the psychological effect of a soaring price level in the United States on Canadian primary producers and wage-earners.

—Photo for The Financial Post by Karsh.

DONALD GORDON'S RIGHT HAND MAN

New joint deputy chairman of WPTB is Douglas Dewar. Glasgow born, he came to this continent as a young man and worked as an accountant in Canada and the United States. In the last war he served as an officer in the Canadian Forestry Corps. Outbreak of the present war found him, in his middle fifties, ready to retire from a full-fledged partnership in a big American accounting firm. He planned to settle down in British Columbia. Instead, he became first an official of Canada's Foreign Exchange Control Board, then special assistant to Donald Gordon, WPTB chairman. In his new post he assumes a larger share of the responsibility in our inflation fight.

Supplies for China Studied at Ottawa

By STAFF WRITER

OTTAWA. — While Canada and Canadians paid tribute this week to the charming and brilliant Madame Chiang Kai-shek, high officials were busy trying to find a formula whereby tens of millions of dollars worth of war supplies could be given directly by this country to beleaguered China.

Already, in the case of Russia, this formula had been found by means of a protocol which for the first time links Canada directly with U.S.S.R. in respect of war supplies and places this country on a par with Britain and the United States.

The Russian protocol becomes effective July 1. It means that Canada undertakes by direct agreement to pre-assign to U.S.S.R., on the basis of strategic need, definite quantities of war supplies—food, raw materials and equipment. Similar protocols have been arranged in the past between Russia and both Britain and the United States. This is the first time that Canada has become a direct signatory.

Allotment for China

What now appears likely is that Canada may also sign a new war supplies undertaking with China. This would guarantee to China a certain definite percentage of war supplies and equipment from Canada, on the basis of predetermined strategic need as worked out by allied chiefs of staff.

In his speech before the Commons last week, Mr. Howe indicated that arms already sent from Canada to China included Canadian 25-pounder guns, Bren and Boys guns, rifles and ammunition for these weapons. The new Chinese requirements which were discussed recently at Ottawa during the visit of T. V. Soong, include a request for a number of new and additional weapons such as pistols and special calibre ammunition.

Difficulties of transporting these weapons and supplies is one of the greatest problems to be overcome. As well, there are political considerations affecting Canada and the United States, since the latter country has considerable say and influence in the amount and type of materials that can be made available to China at this time.

Work of Mutual Aid

New and far-reaching commitments such as these, and which Canada is now undertaking on her own for the first time in national history, are made possible through the far-reaching Mutual Aid Bill—Canada's own special plan and program for lease-lending war material and sup-

(Continued on page 2, col. 7)

Elson From Washington

Russia To Get More Aid

By ROBERT T. ELSON

- **Canada completes plans to handle her own aid to Russia.**
- **In spite of critical food shortage, Russia can hold the Germans through the summer, counterattack in fall.**
- **Belts may have to be tightened more in Canada, U.S., in order to feed the Allies.**

● Canada soon takes two major strides forward toward a wider role in world affairs.

Canadian, British and American proposals for a new lend-lease protocol designed to increase shipments of food and other essential war materials to the Soviet Union have been handed to the Russian Government. The last protocol, in which only Britain and the United States were signatories, expires June 30. Canada's contribution was formerly handled through the Munitions Assignment Board in London.

This time Canada proposes to ship aluminum, explosives, raw materials, foodstuffs and other equipment on her own account. Final conference ironing out the schedules for this protocol were held in Washington last week, attended by Carl Fraser, secretary of Canada's Mutual Aid Board, and Harry J. Carmichael, director of production, Munitions and Supply.

Under the last protocol, according to the Soviet foreign commissar, shipments of $3,000 millions were anticipated from the United States, but actual shipments totalled only $1,316 millions. Restricting factors have been lack of ships, long distances, and lack of adequate rail facilities within the Soviet Union.

Prospects have brightened for shipments in the coming 12 months, with the opening of the Mediterranean and the consequent saving in shipping tonnage involved in the long haul around the Cape of Good Hope, in addition to rapid improvement in the trans-Iranian handling facilities. Some of Canada's lend-lease aid will flow to Russia across the Pacific via the Trans-Siberian route.

In becoming a full signatory of this key protocol, Canada's status as one of the major arsenals is fully recognized. The importance of the Russian agreement is best explained by the fact that all strategic plans are now built on the continued resistance of the Soviet Union to Hitler.

● Best information is that Russia can hold in spite of what Lend-lease Administrator Stettinius calls a critical food shortage. A Hitler offensive is believed overdue and one possibility considered here is that Hitler is waiting for the Russians to attack, and then get his momentum through counter attacks. But if Hitler strikes first, it is believed that the Russians can counter attack by September. The Soviet Union has done a remarkable job in restoring munitions production. But failure to regain some of the finest food-producing areas has increased its food needs.

War Food Administrator Chester A. Davis says that lend-lease food shipments must be increased and, of the food that Canada and the United States ship, "each ton we send to Russia helps to destroy as much of our enemies' power as any other ton we produce."

Canada's position as a major food as well as munitions producer figures in the second broad step which the Dominion soon will take. This will be the key role that is being assigned to Canada in the United Nations relief set-up, which will be ratified by a conference here in August. The draft convention calls for a United Nations organization governed by a council of representatives of all the participating countries.

Under this council will be a Governing committee of the Big Four, Britain, the United States, China and the Soviet Union. But the real work, it is anticipated, will be done by a

(Continued on page 2, col. 6)

Drastic Step On Coal Mooted

Nationalization of Mines and Worker Subsidies May be Proposed at Conference

OTTAWA.—Drastic measures to head off a rising coal labor debacle in Canada are indicated by the calling of an emergency meeting of all parties concerned here in the capital on June 23, 24 and 25.

Out of the conference, according to information coming to The Financial Post, may come either or both of these steps:

1. Nationalization of Canadian coal mines.

2. A national bonus or worker subsidy to raise the level of pay throughout Canadian mines and compensate miners for being "frozen" to their jobs; sweeten the pot for those who are now being forced to return to the mines from the Army or higher paid jobs in war and other industry.

Production Lags

Despite the "tough" national selective service policy for Canadian coal miners, recently announced, and the return of a considerable number of men to the mines, the production figures are said to be still lagging deplorably.

There is also reported to be a rising tide of unrest, especially in view of the "steel" decision and in light of the preferential treatment handed out by the government to miners in the Vancouver Island area.

In this case the government hoisted the basic day rate far above that prevailing in other areas. Representations were made here recently to have the entire industry lifted to a uniform national scale.

Whether or not "nationalization" of the industry is undertaken as a public gesture, it is believed here that the basic problem which must be tackled at the national conference next week is the question of adjusting wages throughout the industry. The only way now apparent in which this can be done is through a national subsidy payable at public expense.

What is realized must now be avoided at all costs is a complete breakdown in coal production such as happened in steel and in coal mines across the border. The meeting here next week is an attempt to resolve present problems without waiting until it is too late.

New Controls Hit Chains

Restrict Merchandise Lines by Latest Streamlined Order

By STAFF WRITER

OTTAWA. — Most important change in the government's new streamlined order (No. 284), respecting "commencement, acquisition and expansion of business," is the provision whereby every branch or outlet of a business is now treated (for purposes of this order) as a separate business.

Under WPTB Order No. 184, which became effective Nov. 2, 1942, it was possible for a manufacturer, retailer, wholesaler or service business to extend to branch offices or outlets any particular kind of business which was being transacted in any one branch.

For instance, if a chain of drugstores had been carrying a line of electrical equipment for sale at any one of its branches it could, under the previous order, have legally started selling the same line in all its outlets—even if the other stores had not previously been selling that particular line.

Under the new order issued last week (which replaces Board Order No. 184) it is specifically provided that "every branch or outlet of your business shall be considered to be a separate business."

The order now provides that, without a permit, "you must not move your business to other premises in any city, town or village in which you were not carrying on your business on Nov. 2, 1942."

Under the old order the only restriction was on the extension of floor space by any business establishment affected by the order. That is, until now an established business could move into a new community or could expand its operations in another community so long as the total floor space it occupied did not exceed the amount used on Nov. 2, 1942. This is no longer possible.

Apart from these extensions, and some revision of definitions, the main difference between the new order (No. 284) and the one it replaces, is the complete rewriting of the order in terms a layman can understand.

May Abandon Ceiling For Low Pay Group

Indicated This May be Part of McTague Formula For Untangling Wage-price Knot — Widely Urged by Witnesses at Hearing

By KENNETH R. WILSON

OTTAWA. — As National War Labor Board wage-labor relations hearings near their close, it appears that part of the new formula for solving Canada's tangled wage-price knot will be the lifting of low-paid workers completely out of the wage ceiling.

Chairman McTague is not a man to make up his mind until all the evidence is on the record. So any estimate of the final recommendations must necessarily be tentative.

But judging by the tenor of briefs already presented, and by the general trend of expert opinion, it seems almost certain that a basic recommendation of the McTague board will be a plan for lifting "low pay" workers completely out of the wage stabilization policy and giving them an opportunity to seek higher wages by representations to the NWLB or to regional wage tribunals.

"Cut-off" Line Uncertain

Just where the cut-off line will be is not yet determined. Most likely point will be some formula which will draw the line in or around the 50-cent minimum basic wage rate which was established for common laborers in Canadian steel plants.

There will, however, be no attempt to put a minimum wage "floor" of 50 cents under all Canadian industry. Such a program would admittedly be fatal to the price ceiling and would disrupt the wage picture in scores of important industries, notably textiles and many service and retail establishments.

Any adjustment which would be permitted under the new "formula" would probably have to take place by negotiations and through regular wartime channels for wage adjustment. Thus the change would be gradual.

All that would happen, in short, would be that Ottawa lift the wage "freeze" on low-paid workers and let natural processes work once more in bringing about adjustment.

Will Affect Many

Since there are probably 1,000,000 wage earners in Canada earning less than $24 a week the number affected by the indicated new formula would be substantial. The total number would not, of course, be anything like a million, since many of those within this bracket would be earning at least 40 cents per hour even though their total weekly earnings did not exceed $24.

Once low-paid workers were removed from the wage ceiling it would be expected (under whatever plan is proposed by Justice McTague) that the wage ceiling policy so far as all other workers are concerned would be henceforth more rigidly imposed than in recent months. What is aimed at is a plan to prevent (so far as possible) the increase in wages to low-paid workers from being escalated up into skilled trades.

It is hoped that once some formula is worked out for dealing with low-paid workers, the problem of keeping a more rigid ceiling policy in the upper brackets will not be so difficult.

Ottawa Discounts Dangers

Just what would happen to Canada's price ceiling under such a policy as outlined above is difficult to estimate.

Ottawa is inclined to discount the dangers of such a plan on the price freeze although the blunt warning of Donald Gordon delivered before the NWLB a few weeks ago is not being overlooked or sidestepped.

Had the steel decision established a 55-cent and not a 50-cent minimum basic wage rate, the story might have been very different. But there is a disposition here to feel that some way could be found whereby low-paid workers can be given relief even within the framework of the present ceiling program.

It may be taken for granted also, that the wage experts will give no consideration to labor's oft-repeated plea for a uniform cost-of-living bonus right across the board. Such a plan two years ago might have been wise and beneficial. At this late stage it is thought financially impossible to put into effect without completely uprooting the government's wage-price ceiling policy.

MacLean Publishing Co. Reports Year's Work

President Horace T. Hunter Tells Shareholders of War Work Being Done by the Firm's 30 Newspapers

Winning the war in the quickest possible time and with the minimum expenditure of blood, and planning a sound postwar economy, are the major objectives of the 30 publications of The MacLean Publishing Co., Horace T. Hunter, president, stated at the annual meeting of shareholders in Toronto last week. To accomplish this, said Mr. Hunter, a well informed and intelligent public opinion is necessary and it is the job of the MacLean group of publications, with their 700,000 circulation and two million readers, to provide much of the required adult education.

Mr. Hunter outlined the special work of the four magazines, 16 industrial and six merchandising newspapers and The Financial Post, which comprise the MacLean group.

War is Main Business

"War is today the nation's chief business," said Mr. Hunter, "so naturally much space is devoted to war measures and the part loyal citizens should play to secure speediest victory. Personalities receive much attention because, although machines and materials, laws and orders-in-council are essential, the men at the controls are of great interest and vital importance.

"Our magazines suggest to readers what to expect and demand of their representatives who comprise the governments of this country and also how to co-operate with them in a constructive way.

"Letters come to us from every corner of the globe where Canadians are fighting, telling us of the eager interest with which men and women in the services read of their homeland through our magazines.

"At home, two of our magazines alone — Maclean's and Chatelaine— go into one in every four of the English-speaking homes in Canada.

Industrial Newspapers

"Churchill, Roosevelt, and McNaughton have emphasized repeatedly that the front line runs through the factories and munition plants.

"The war can only be won by efficient production of the tools of war. The speedier it is won, the fewer lives will be lost. Our 16 In-

(Continued on page 2, col. 3)

Newsprint Firms Look For $6 Ton Price Raise

From Our Own Correspondent

MONTREAL.—Official admission is made that Canadian newsprint manufacturers have under way a move designed to secure a higher price for their product, particularly in the United States which takes about 70% of total output. At the same time American manufacturers have made representations to the Office of Price Administration asking for an upward revision of the price schedules.

In their formal protest to the OPA, U. S. operators contend the existing price ceilings are too low. They ask for increase of $5 to $6 a ton.

Evidence has been heard and still is being gathered by OPA in connection with these protests. No decision yet has been made on them.

As regards Canadian manufacturers, an OPA spokesman says, "when the $4 increase in the price of newsprint was granted on March 1, the door was left open as far as OPA was concerned for further consideration of an increase in prices."

While there has been no official statement from the Canadian end, it is presumed the manufacturers' application for a higher price will be handled in the same way as last time, through the Pulp and Paper Division of the Wartime Prices and Trade Board.

Various reports circulate as to what advance Canadian operators seek. There is nothing definite to go on, but it is presumed demands will not be less than those of the American manufacturers, namely, $5 to $6 a ton.

MEN'S SHOP

FINE APPAREL FOR MEN

Fair and Warm!

With the advent of warmer weather one starts thinking of lightweight clothes. In this respect we'd like you to know that you can find a full range of Summer suits at the Men's Shop. We have also sports jackets made from famous tweeds — and smart slacks in fine flannel, tropical worsted and corduroy. This Summer apparel merits your attention.

Bathing Suits • Terry Cloth Bathrobes • Sports Shirts • Shorts • Pullovers • Windbreakers, etc.

The Men's Shop

Civil and Military Outfitters
Cor. Bay and College Sts.

EATON'S - COLLEGE STREET

An important reminder

about

YOUR INCOME TAX RETURNS

JUNE 30th IS THE DEADLINE for

A All 1942 Individual T. 1 Returns.

B All 1942 Excess Profits Tax Returns of Proprietorships and Partnerships.

C All 1942 T. 2 Income and Excess Profits Tax Returns by Corporations whose fiscal year ended 31st December, 1942.

EMPLOYERS

HAVE YOU given your employees their copies of your T. 4 Supplementary slips, so that they may complete and make their Income Tax Returns by the 30th of June?

MAKE RETURNS NOW — AVOID PENALTIES

DOMINION OF CANADA — DEPARTMENT OF NATIONAL REVENUE

INCOME TAX DIVISION

COLIN GIBSON
Minister of National Revenue

C. FRASER ELLIOTT
Commissioner of Income Tax

The War and Business

By BRUCE MacKINNON

Just a Rumor

Reports have been going the rounds in Montreal that Canada has so much coffee and tea in storage that WPTB officials are arguing about whether to lift rationing altogether or just make the allowance more generous. Take these rumors with a grain of salt. There is no likelihood of any increase in the tea or coffee ration. Actual fact, say those closest to the situation, is that there is no surplus of either of these commodities, and the supply situation is very tight. "I only wish," sighed one official, "that the story was true. But it isn't."

• • •

Beverage Plan

When the great national drought was decreed by Ottawa, and provinces had to cut sales of potables, New Brunswick tried to meet requirements without organized rationing. Method was to allow each store to sell so many bottles each morning and afternoon. Result was that they who waited longest in line before opening time carried away the crocks. Queues in front of the liquor emporiums blocked entrances of nearby business places; church groups called the lineups a "disgrace" and passed resolutions; casual laborers found they could earn more waiting in line, as purchasers for the thirsty, than they could by working. Bootleggers hit a jackpot.

New Brunswick has now abandoned this makeshift system and adopted permit rationing like the other provinces. The N. B. allowance: Two bottles of hard liquor a month, one bottle of wine a week, one bottle (large) of beer a day.

• • •

Regimentation

In case you are becoming worried about the extent of regimentation in Canada, we suggest a brief glance across the line. One day last week a more or less average day's list of U. S. government regulations ran 15 inches in depth across two columns of The Journal of Commerce. For the entire preceding week, The Financial Post summary of wartime regulations ran only five inches in depth across two columns.

• • •

"Stamp Out the U-Boat"

Canada's National War Finance Committee wants citizens to "Stamp Out the U-Boat" from June 28 to July 31—has announced this as the theme of its war savings stamp sales between those dates. The objective has been set at $1,350,000.

• • •

Pants Are Necessary

Edgar G. Burton, WPTB's retail trade administrator, put in a plug for consumer goods during an address he gave Brockville, Ont., Rotarians the other day. He declared that work clothing, children's wear and knit goods are as important as any equipment being produced for war, and added a prediction that the shifting tides of war production will see a larger output of such items.

• • •

Nylon Racket

The Better Business Bureau of Ottawa and Hull has caught up with some of the nylon stocking racketeers reported recently active in Montreal. Housewives were shown a perfect pair of nylons, gave the representative an order and a $2 deposit, then waited hopefully for the stockings to arrive. Apparently the racket gravitated to the capital after Montreal became too warm. Thanks to a suspicious housewife, two of the operators are now in Hull jail.

• • •

NSS Loophole

"Turn spare time into money." So goes a poster which has appeared in Toronto street cars. It invites you to work for a dry cleaning firm three hours a day, five days a week—to clean, press, remove spots and whatnot by modern methods. The limit of three hours a day, five days a week meets the "part time employment" definition of selective service regulations so that the applicant does not have to go through cumbersome official channels. The poster itself is eloquent of the difficulties cleaners are having in securing help in most Canadian cities. Cleaners who used to pick up a suit in the morning and return it in the evening now take a week to do the job.

• • •

New Job for Gold

Because of its relatively high cost, gold has found few new industrial jobs in war, although its physical properties, notably resistance to corrosion, are ideal for many of industry's purposes. One place where gold is being put to work is in plating the leaves of radio condensers. Definitely a wartime expedient, the gold replaces cadmium at around 90 cents a pound.

MacLean Publishing Co. Reports Year's Work

(Continued from page 1)

dustrial papers are helping to speed victory.

"Splendid tribute to the services of our papers, such as Canadian Machinery in the munitions field, Canadian Aviation in the aircraft industry, and Canadian Shipping in the vital marine industry, has been paid in hundreds of letters from cabinet ministers, production chiefs, businessmen, etc.

"Our editors gather information on efficient methods of production, on personnel, materials and organization.

"They search the workshops of the world for ideas which they set down in attractive, readable form for the men who are making airplanes, ships, tanks, jeeps, guns and munitions of all kinds. They do likewise for the chemical, power, automotive, rock and printing industries.

Merchandising Newspapers

"Merchants have today a double task: (1) Distribution of available goods to the civilian population; (2) Interpretation of constantly changing government regulations regarding rationing, price maintenance, deliveries, essential materials, salvage, etc.

"One hundred and twenty-five thousand merchants and their staffs contact almost daily every family in Canada. They are the key men and women through whom the government must work in the fight to avoid the ruinous scourge of inflation which, uncontrolled, would devour the accumulated assets of the people.

"Few people realize the service well-informed merchants can and do render in securing co-operation of the public and in maintenance of morale.

"Our nine merchandising publications, led by such widely read papers as Canadian Grocer and Hardware and Metal, are an important link in the means of communication between the government and the general public.

"They are in constant contact with such agencies as the Wartime Prices and Trade Board, helping to interpret policy and—by suggestion and criticism and by reporting the views of readers—helping to reshape it for greater efficiency.

"Our business newspapers are serving, too, the advertising, plant administration and feminine beauty fields, and in both the latter their morale-building strength has been notable.

Financial Publications

"Finance and general business are also playing a vital part in our war effort. Businessmen have voiced little complaint against the pyramiding of taxes, even as they have reached a confiscatory level. Immediate profits are to them a secondary consideration. Businessmen are greatly concerned, however, about the maintenance of their enterprises, large and small, on a sound financial basis so that in the postwar period they can tackle successfully the tremendous problems of conversion and readjustment and be able to provide a reasonably full measure of employment.

"Businessmen are greatly concerned that the money which the government collects should be spent wisely, honestly and efficiently.

"The Financial Post maintains a large staff of editors who have co-operated with the government in raising money and have checked as closely as they could the way in which it has been spent.

"They have endeavored to tell in a simple, understandable way what various government departments are doing. In this work they have secured the co-operation of businessmen and have achieved elimination of waste, inefficiency and party patronage to an extent which has been estimated by some well-informed businessmen to amount to hundreds of millions of dollars."

No Cost to Taxpayer

"Our publications," said Mr. Hunter, "performed these services without one cent of cost to the taxpayers of Canada. Indeed, we paid to governments in the year 1942 the sum of $174,778 in taxes for the privilege of carrying on this work. Our 900 employees also paid directly in income taxes upward of $300,000. In addition to this, the company and employees subscribed for over $250,000 worth of Victory Bonds."

Referring to postwar readjustment, Mr. Hunter stated that MacLean publications would continue to play "an important part in searching out and presenting to readers information that will be helpful in solving the problems that will face the nation in the conversion to a civilian economy."

Second Best Year

The president reported total revenue from all publications for the year 1942 was $3,988,965, or $60.000 less than in the record year of 1941.

It was spent approximately as follows:

	Per cent
Wages and salaries, including commission and travelling expense ..	54
Materials, paper, ink, engravings, etc.	25½
Postage	4½
Taxes	5
Depreciation and bond interest	4½
Pension, life and sickness insurance	1
Surplus and dividends	5½

Referring to surplus, which including resources for contingencies, now stands at $790,996, Mr. Hunter stated:

"It has always been the policy of the Company to disburse only a small proportion of its earnings by way of dividends. This surplus, built up over a long period of years, enables us to face the uncertain times that lie ahead with a good deal of confidence, as regard both maintenance of employment and adoption of strong, courageous editorial policies."

George D. Davis has tendered his resignation as manager of the Merchandising Newspapers Division after 30 years of service. He continues on the Board of Directors.

DeHavilland Controller Doesn't Affect Investor

In appointing J. Grant Glassco as controller of de Havilland Aircraft of Canada, Ltd., the Department of Munitions and Supply brought management of the company directly under its own control.

But the government move in no way affects the ownership of the company nor the position of shareholders, The Financial Post is informed.

In putting Mr. Glassco in charge of these aircraft operations, the department was using a formula which, in one form or another, it has adopted previously.

This is a different and much less drastic move than that which was made in connection with the aircraft operations of National Steel Car, where there was straight expropriation and subsequent payment to shareholders.

Mr. Glassco is "to facilitate the administration of the Mosquito aircraft program." There is no official intimation whether the Mosquito program is behind schedule.

P. C. Garratt, who has been managing director of the company, is currently taking a vacation of some months. L. C. M. Murray, who directed de Havilland's Canadian operations some years before the war, and who in recent years has been an executive of the British company, returned to Canada some months ago to assist with the operation here. It is understood that he will continue as an assistant to Mr. Glassco.

Also assisting Mr. Glassco on behalf of the Department of Munitions and Supply are Robert A. Laidlaw, J. Douglas Woods and Bethune L. Smith, all of Toronto.

Mr. Glassco was formerly a director of the company and in recent years has been financial adviser to the board.

First Synthetic Rubber Being Made in Canada

MONTREAL.—Naugatuck Chemicals Ltd., affiliate of Dominion Rubber Co., has started manufacturing the first synthetic rubber produced in Canada. For reasons of security no information can be published respecting location of plant, capital employed, number of workers, etc., but it is stated that production this year will run into several hundred thousand pounds.

The new development will produce "Thiokol," one of the five commercial types of synthetic rubber. It was developed by Dr. J. C. Patrick of the Thiokol Corp., of Naugatuck, Conn., in which the Dominion Rubber Co.'s American associate has an interest.

Has Definite Advantages

Thiokol was first developed about 10 years ago and is widely used in the production of various types of mechanical rubber goods. It contains no natural rubber. For some specific purposes, Thiokol is superior to natural rubber, especially in its resistance to oil, grease, acid and sunlight. It is said to rank high in impermeability to gases and water.

Hitherto the supply of Thiokol has been dependent upon imports from the United States. The entire production of the Canadian plant will be placed at the disposal of the Dominion Government.

Have Ample Supply

With this output Canada will have an uninterrupted supply of material for the construction of oil and gasoline resisting hose for fueling planes, ships, etc., and for other specific uses in war production. It will also be widely employed in certain essential industries, especially petroleum. Thiokol also can be used for lining chemical and acid tanks; field gasoline storage tanks and similar uses.

Like many other important inventions Thiokol was discovered accidentally through experiments to produce anti-freeze. It is compounded from the products of sulphur and salt mines and gas wells.

Here to Stay

In announcing the commencement of manufacture in Canada, Paul C. Jones, president of Dominion Rubber Co., said Thiokol is by no means a "war baby." It has, he said, an established place in Canada's future rubber supply, whether or not processing of crude rubber is continued on a broad scale after the war is won, as it performs functions for which natural rubber is physically unsuitable.

Investment Trusts

	Bid	Asked
Affiliated Funds	3.33	3.65
Can. Int. Trust	4.50	5.25
Can. Invest. Fund	3.70	4.05
Can. Investors	5.00	...
Corp. Investors	6.00	6.45
Trans-Canada	10.85	11.80

Elson From Washington

(Continued from page 1)

supply committee which will include those countries that will have to find the materials with which to distribute relief. Canada probably will head this supply committee, which will also include Australia and Brazil.

This relief organization differs from the interim commission set up by the food conference, in that its work is immediate. It has important political implications because upon its proper functioning will depend whether or not stable governments can be set up in postwar Europe.

● With the protocol to the Soviet Union and the future successful operation of relief depending upon food supply, it is against this supply that the only important question mark is still placed. Munitions production is licked; there has been real progress towards agreement on strategy. But insiders here are asking: What about food?

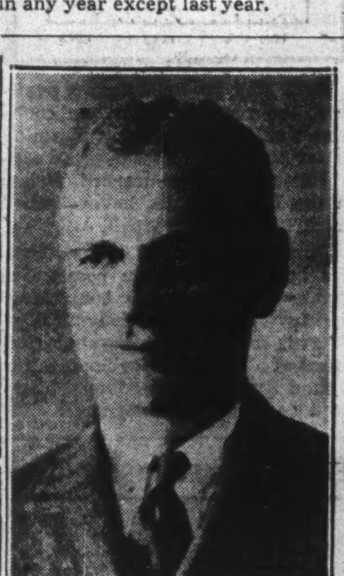
Apprehension over food evidenced in Washington stems from the price and distribution situation. Although 1942 farm output broke all records, shortages of major foods may be in prospect. Complete revision of price control policies is being asked to assure smooth flow of food products to the consumer. Congressmen this week asked President Roosevelt to give his food czar greater powers, including command of prices, which here as in Canada lies with the price control offices. Level-headed Senator Walter F. George told reporters after the talk with the President that the United States couldn't afford a food shortage and, if price ceilings meant reduced output, the ceilings would have to go.

The President has rejected the idea of an independent super-czar in charge of food insisting instead his new office of war mobilization can do the job. He is determined to hold the line on food price policy and insist upon subsidies to roll back prices and keep the inflationary spiral under control. This leaves only the question of distribution.

It is important that this problem be straightened out if there is not to be widespread agitation against continuation of lend-lease. Actually, American consumers, according to War Food Administrator Davis, have been having a feast because even the huge military and lend-lease requirements took only 15% of the record output. This means Americans ate more food than in any year since 1941. Obviously if lend-lease requirements are to be stepped up from 6% in 1942 to 11 or 12% in 1943, belts have to be tightened. If they are tightened here, there will be further restrictions in Canada, because rationing and consumer controls by agreement follow the same pattern on both sides of the border.

Last week British, Canadian and American discussions were held in Washington on an informal proposal to bring wartime nutritional standards of all three countries into line in order that there may be more efficient use of food supplies. There was no indication as to how much progress was made toward agreement.

What is the actual crop outlook? Pessimistic forecasts have been made, but the last authoritative word is from Davis, who says in spite of flood and unfavorable spring weather the present outlook is still for a greater farm production than in any year except last year.



MAJ. ARTHUR E. McBEAN — Montreal, who has been elected president of the Insurance Brokers Association of Quebec Province.

Investor's Index

June 19, 1943

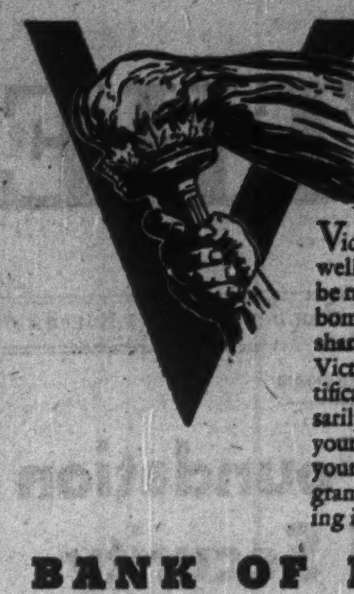
Abitibi	5	Huron & Erie	8
Acme Dairy	14	Hydro-Elec. Pwr.	7
Bell Telephone	8	Inter. Hydro	27
Braz. P. Cemen:	9	Inter. Pete.	5, 11
Can. Assoc. Air.	27	Inter. Power	5
Can. For. Invest.	9	Levy Brothers	14
G. B. & C. Trust	5	C. W. Lindsay	10
C. N. R.	7	Mexican Light	14
C. P. R.	7	Mexico Tram.	14
Can. Vickers	14	Minn. & Ont.	11
Comm. Alcohols	14	New Eng. Pwr.	27
de Havilland	2	Northern Life	8
Dom. Coal	7, 10	Ogilvie Flour	11
Dom. Engin'ring	4	Ont. Tobacco	5
Dom. Steel	3	South. Can. Pwr.	4
Dom. Textile	8, 13	Sun Life	8
East Koot. Pwr.	10	Union Gas	5
Eastern Dairies	14	United Gas	5
Employers' Liab.	8	Wawanesa Mut'l	8
Gatineau Pwr.	27	Wood, Alexander	11
Gleneagles Apts.	11		

MINES AND OILS

Big East Mica	28		
B. A. Oil	28	Pickle Crow	10
Larder Lake	4	Sherritt Gordon	28
Metalore Mining	28	Silbak Premier	28
Moneta Porc.	28	Steep Rock	28
Nat. Malartic	28	Young-Davidson	10

REGULAR FEATURES

Bond Quotations	12
Business, Week in	7
Editorial	6
Farming, Business of	13
Income Tax Queries	11
Insurance	8
Investment Page	4
Enquiry Letters	11
Market Opinions	4
Stock Quotations	12
Mining Page	28
Mining Quotations	12
Oil Quotations	12
Royalty Offerings	12
Question of Week	3
War Regulations	11
Wheat Page	13



Victory's price is high—in money, as well as courage. Enormous sums must be raised for ships, planes, tanks, guns, bombs, shells and bullets. Have a share in the victory by *saving* to—buy Victory Bonds and War Savings Certificates and Stamps—pay the necessarily heavy income taxes—keep up your life insurance and provide for your future independence. Such a programme of determined, systematic saving is part of the price of VICTORY.

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A 134

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Simpson's

SECOND FLOOR

China to Get More Supplies

(Continued from page 1)

plies to needy members of the United Nation alliance.

What has scarcely been recognized as yet is that Mutual Aid, under the chairmanship of Hon. C. D. Howe, has become not only the allocation agency for Canada's billion dollar gift but an important influence in Canada's immense productive effort (apart from what is required to meet the needs of our own armed forces).

Since Mutual Aid covers foodstuffs, raw materials, metals, etc., as well as war production, it must exercise a decisive and for the most part a controlling influence on the disposition of billions of dollars worth of Canadian supplies and war production.

Demands of all United Nations on Canada for war supplies, whether they be accompanied by cash or are to be negotiated under Mutual Aid, must be appraised by the new Mutual Aid Board set up under chairmanship of Hon. C. D. Howe and comprising five senior cabinet ministers reporting directly to the War Committee of Cabinet.

At the moment, the two nations whose requirements have been under most active discussion are Russia and China. As already indicated, the Russian requirements for the next 12 months have now been agreed upon and incorporated into a definite commitment so far as Canada is concerned.

Allocations to China from Canada are still under active negotiation with the present prospect that, instead of merely operating under "open order" programing which would be subject to change from month to month in accordance with the shifting emphasis in war needs and strategy, Canada may decide to pre-assign a certain quantity of goods and war supplies to China in the same way as has been done with Russia.

The visit of Madame Chiang is expected to focus the attention of Canadians more than ever on the plight and position of China and to build up in the minds of Canadians an even more acute awareness of the Chinese problem and needs. Fortunately through Mutual Aid, Canada is in a better position than at any time in her history to go a long distance in meeting these needs on her own responsibility and in a way which will be of the greatest possible value to both nations.

Homestead In Barbados, B.W.I., For Sale

Solid stone, on 3 acres; 400 feet from street, first class residential section, with right-of-way to excellent sandy beach and swimming, just across the street. UPSTAIRS: Four large bedrooms, bathroom with modern conveniences, hallway and beautiful solid mahogany stairway. DOWNSTAIRS: Spacious living room and dining room, hall, pantry, bathroom with shower. Large front and side verandahs. Kitchen, servants' and chauffeur's quarters and garage outside. Extensive flower gardens, fern house and tennis court (double) on one side of grounds; mahogany and variety of fruit trees on other side.

For further particulars and photographs, apply: Department "FP," 37 Board of Trade Bldg., MONTREAL, P.Q.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Issued	—Sold to—	Rate	Due	Amount	Price	Yield
Montreal Catholic School Commission	June	Provincial Bank, L. G. Beaubien & Co., and Syndicate	4%	1958	$1,500,000	.....	.....
			4%	1944-63	2,250,000	.....	.....
R. C. School Commissioners, City of Quebec	June	A. E. Ames & Co., and Clement, Guimont, Inc.	3½%	1944-63	386,000	99.93	.....

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	—Offered by—	Rate	Due	Amount	Price	Yield
West Canadian Hydro-Electric	June	Pemberton & Son, Vancouver	4½%	.....	$450,000	100	4½%

In Your Opinion—

Women's Place in Postwar Industry

Adam Bell
British Columbia deputy minister of labor, Victoria.

When the war is over, our first obligation and one accepted by order of the government of Canada is to restore to the men and women on active service the jobs they gave up. This will inevitably mean that many women inducted to industry through wartime emergency will face dismissal.

It will not be a painless operation. Difficulties will have to be met and sacrifices made but I am sure our women who are so ably demonstrating their worth in time of war will not be found wanting in meeting the circumstances that arise nor in fulfilling the true role of womanhood in a country at peace with the world and itself.

* * *

C. Gordon Cockshutt
President, Cockshutt Plow Co., Brantford.

During the last war women were used successfully and extensively in industry. During the postwar period, while many returned to domestic tasks, the number employed was far in excess of those employed prior to the war. During the present war women have participated far more extensively and after the war women will continue to play a much more important part in industry. They have demonstrated their ability and are entitled to a career in industry if they so desire.

* * *

W. A. Curran
Editor, Times, Trail, B.C.

We must be careful not to allow our thinking relative to the continued wide-scale employment of women in industry after the war to be clouded by conditions as they exist at the moment. There will be openings for women in certain types and branches of industry after the war but I do not think that women should in that period be encouraged to continue to seek employment in the heavier industries of the nation.

Not only would it interfere with the rehabilitation of our service men but from the biological standpoint comparatively few women are adaptable to the day-to-day grind of steady work in the heavier industries, and I certainly do not think it would be in the general interests of the nation that they should be encouraged to do so.

* * *

J. G. Cunningham
Director, Division of Industrial Hygiene, Ontario Department of Health.

I have knowledge of the subject only as it affects health. I consider large-scale postwar employment of women in industry practical, particularly with safeguards regarding concurrent duties at home and at work, as well as suitable conditions of work, including supervision, intelligent placement and factory facilities for early recognition of maladjustment or ill-health.

Without such safeguards the ultimate cost to health is high. With them there are definitely desirable features as to the participation of women in industrial activity.

* * *

E. W. Johnston
Editor, Times-Review, Fort Erie, Ont.

The question presupposes that there will be a continuation of present widespread industrial employment of women. We doubt that. However, if industry in postwar years needs enough workers to provide full employment for both men and women, there is no apparent reason why women who want to earn a pay envelope would not do so.

Greater probability in our belief, which we hope history will contradict, is that the coming of peace will be followed, sooner or later, by extensive unemployment. Then women will be forced out of most industrial jobs except those in which they excel men.

* * *

H. J. Lassaline
Secretary-manager, Windsor Chamber of Commerce.

Undoubtedly more women will be retained on certain jobs than were employed previous to war. Demonstrated ability and efficiency back their claims. Also many jobs will be given up by women because of their social unsuitability and return to normal status. Obviously, the present wide-scale employment must be curtailed to take care of returned men unless the productive requirements of the nation rise above the present peak capacity.

I believe only under such as the present dire circumstances should we allow in the future employment of married women with children needing care. Further, I believe there should be an understood priority in employment to allow reasonable protection of the recognized provider for the first unit of organized society.

* * *

The Question: What do you expect and think desirable regarding continued wide scale employment of women in industry after the war?

F. P. L. Lane
New president, Canadian Manufacturers' Association and vice-president Imperial Tobacco Co., Montreal.

Women who desire employment should be afforded every possible opportunity to work and it may be that the production of the volume of goods needed after the war will require the extensive employment of women.

* * *

John L. McDougall
Assistant professor of commerce, Queen's University, Kingston.

If a problem arises here it will be created out of our own perversity. Many women are now working because their men are in the services, others because they feel it to be a duty. There will be a very great natural shrinkage when peace comes. The danger is lest there be an attempt to compel more of them to retire than will wish to do so.

Women are citizens too, and their right to work if they so wish should be respected. It ought not to be abridged either for reasons of public policy (most of which will not bear investigation) nor through an attempt to maintain the principles of "equal pay for equal work" which would be a much more effective bar. This is the freedom which is the root of economic independence. It is worth defending.

This war has demonstrated how high our production power is when we get down to work. After that terrible deadlock stretching from 1933 to 1939 in which we stabilized unemployment and underproduction in order to protect a price level which was violently unjust to large sections of the economy this burst of production comes as a surprise to many.

It should not be so. The power to produce was continuously present, what was lacking was the will. When peace comes let us not become again so earnest about the division of the product of industry that we end up with little or nothing to divide.

* * *

R. B. Morley
General manager, Industrial Accident Prevention Associations, Toronto.

I fully expect that women, having again done so fine a job in industry will be kept at work as long as the necessity exists. There are numerous indications, however, in Canada and United States of need for homemakers to take up that job as soon as possible, particularly for the sake of younger children.

Men and women are hired for the same reason—to get out production. Women mostly are not hired for heavy or extra hazardous work, but experience shows there are many jobs where they do better work than men. The report of the Workmen's Compensation Board (Ontario), just received, shows that only 4.25% of persons receiving compensation last year were women.

* * *

C. S. Riley
Managing director, Canadian Indemnity Co., Winnipeg.

Many women will return to home duties under peacetime conditions. Others, having proven their fitness, will by choice or of necessity wish to continue in industry. It should be practicable for them to do so, subject to re-establishment of men now in the services which must be the first consideration.

* * *

Edgar Rochette
Quebec Minister of Labor.

It is certainly preferable that fathers of family and men occupy positions in industry instead of women. As we do not know what will be the economic situation after the war, I believe it is unnecessary to make any declaration at this moment on the subject.

* * *

J. E. Samson
Of J. E. Samson Inc., shoe manufacturers, Quebec City.

We are definitely opposed to the employment of women in the place of men. However, when it is more desirable to employ women to perform certain kinds of work, this should be continued like in pre-war days. Otherwise, too many men would be unemployed.

CMA OFFICER — G. Blair Gordon, president and managing director of Dominion Textile Co., Montreal, who was recently elected second vice-president of the Canadian Manufacturers' Association.

Dosco Builds Liquid Assets

Arthur Cross Tells Meeting More Needed to Take Care of Expansion

From Our Own Correspondent

MONTREAL. — Despite improvement in working capital and as the company was still facing a period of increasing costs, net working capital needed further building up to meet the requirements of expansion necessitated by war demands, Arthur Cross told shareholders at the annual meeting of Dominion Steel & Coal Corp.

Previously he had been asked whether the company intended to continue a policy of expansion by capital acquisitions. The president said that purchase of Canadian Tube & Steel was made to consolidate the finishing end of the company's business closer to its market.

With regard to dividends, Mr. Cross said that until directors feel that dividends can be maintained with a reasonable continuity, he did not consider inauguration justified.

In his formal statement Mr. Cross poined out that plant facilities have been greatly improved and enlarged since 1939, but that profits in 1942 nevertheless were lower than in 1939, reflecting increased costs and limited selling prices.

An average of approximately 28,000 employees are now engaged in operations of the corporation and its subsidiaries.

Montreal Bond Issue Oversold

Syndicate Offering of $3¾ Millions Finds Ready Market

From Our Own Correspondent

MONTREAL.—Provincial Bank of Canada and L. G. Beaubien & Co. report oversubscription of a public offering of $3¾ millions 4% bonds of the Montreal Catholic School Commission.

The issue consists of $1.5 millions sinking fund bonds maturing May 1, 1958, and $2¼ million serial bonds maturing at the rate of $112,500 annually from May 1, 1944 to 1963.

The 15-year sinking fund bonds were offered at par. The serial bonds were offered at prices varying from 100½ to 100 according to maturity. The first six maturities were sold privately.

Proceeds of the $1.5 millions loan will be applied to the redemption of a 5% issue of an equal amount which matured on May 1 last and which, on maturity, was financed by temporary bank loans.

The purpose of the $2¼ millions loan is to fund the balance of the deficits reported for the fiscal years ended June 30, 1937, and 1938.

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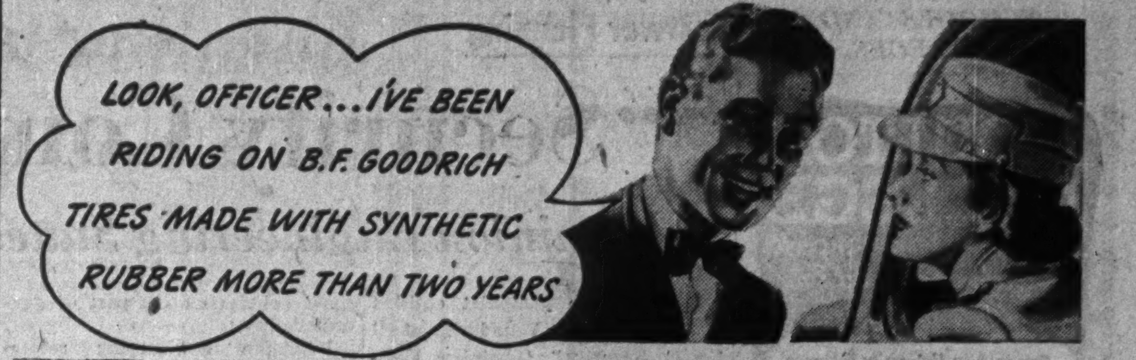


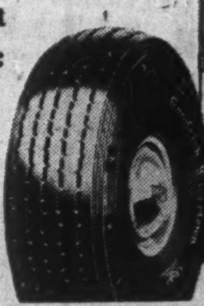
"In 1940 they sold thousands of Silvertowns made with more than half their rubber synthetic," said the Grand Union maintenance man. In fact, he's pointing to one of those tires, bought by his company to help get this continent's synthetic rubber program started. Grand Union reports wonderful results from these tires—in some cases they outwore natural rubber tires on the same vehicle. Two of them ran 7,000 miles more! Thus synthetic rubber passed its first great test.

The Army rides on synthetic rubber. Today, B. F. Goodrich is making tires for combat vehicles with proven synthetic. Fuel tanks and fuel lines, too. Already we are overcoming Germany's 30-year head start in synthetic rubber. But there still isn't enough for you. The Army and Navy need all the rubber they can get.

Delivery guaranteed in 194?. We can't say when your new car will be ready. But we can say that its tires will probably be made wholly, or partly, from synthetic rubber. And smart motorists will look for the best where they always have looked . . . to B. F. Goodrich, the company that pioneered synthetic rubber on this continent.

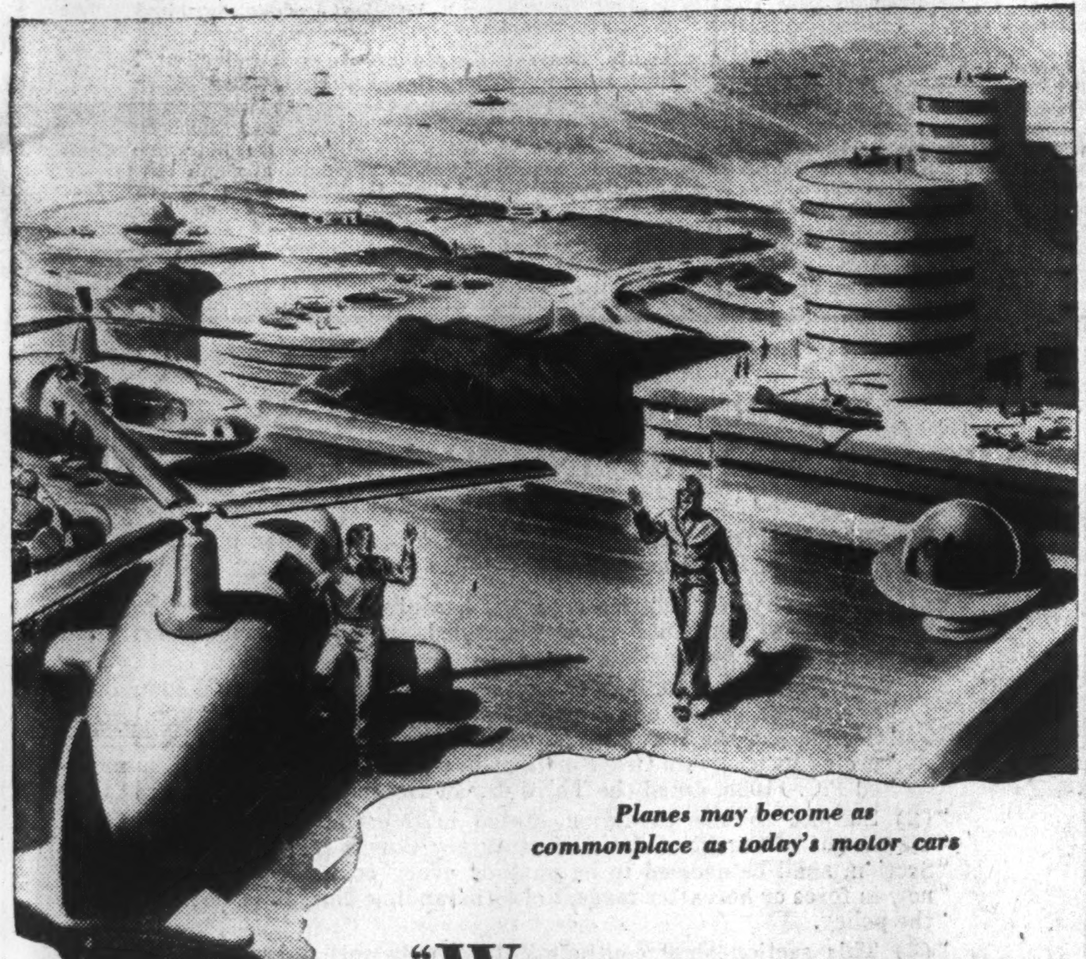
A few of the companies that bought Ameripol tires in 1940 and 1941:

AETNA LIFE INSURANCE CO.
AMERICAN CAN CO.
THE BORDEN CO.
J. I. CASE CO.
GENERAL BAKING CO.
GENERAL OUTDOOR ADVERTISING CO.
GEO. A. HORMEL & CO.
INGERSOLL-RAND CO.
KELLOGG COMPANY
PACKARD MOTOR CAR CO.
PET MILK SALES CORP.
STANDARD BRANDS, INC.
SWIFT & COMPANY



In war or peace
B.F.Goodrich
FIRST IN RUBBER

SALUTE TO THE WORKERS OF TOMORROW!



Planes may become as commonplace as today's motor cars

"WITHOUT VISION, THE PEOPLE PERISH". But we have a vision of a brave new world — wherein all men are free and all men share in the rewards of a more glorious civilization.

What the face of this world will be like, none can know. Will factories be of revolutionary design — lighted by the health rays of artificial sunlight? Will the workers travel to and fro in their own planes — with ample leisure for education and relaxation?

This much we know. Out of modern, forward-looking industries such as Small Electric Motors (Canada) Limited, will come electrical equipment, for ships and planes, for factories and homes, of revolutionary design.

For here is a new company in Canada — with new ideas and ideals. Now engaged solely in original designing and precision making of essential war equipment, Small Electric Motors (Canada) Limited looks confidently to a brilliant post-war future.

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Small Electric Motors (Canada) Limited
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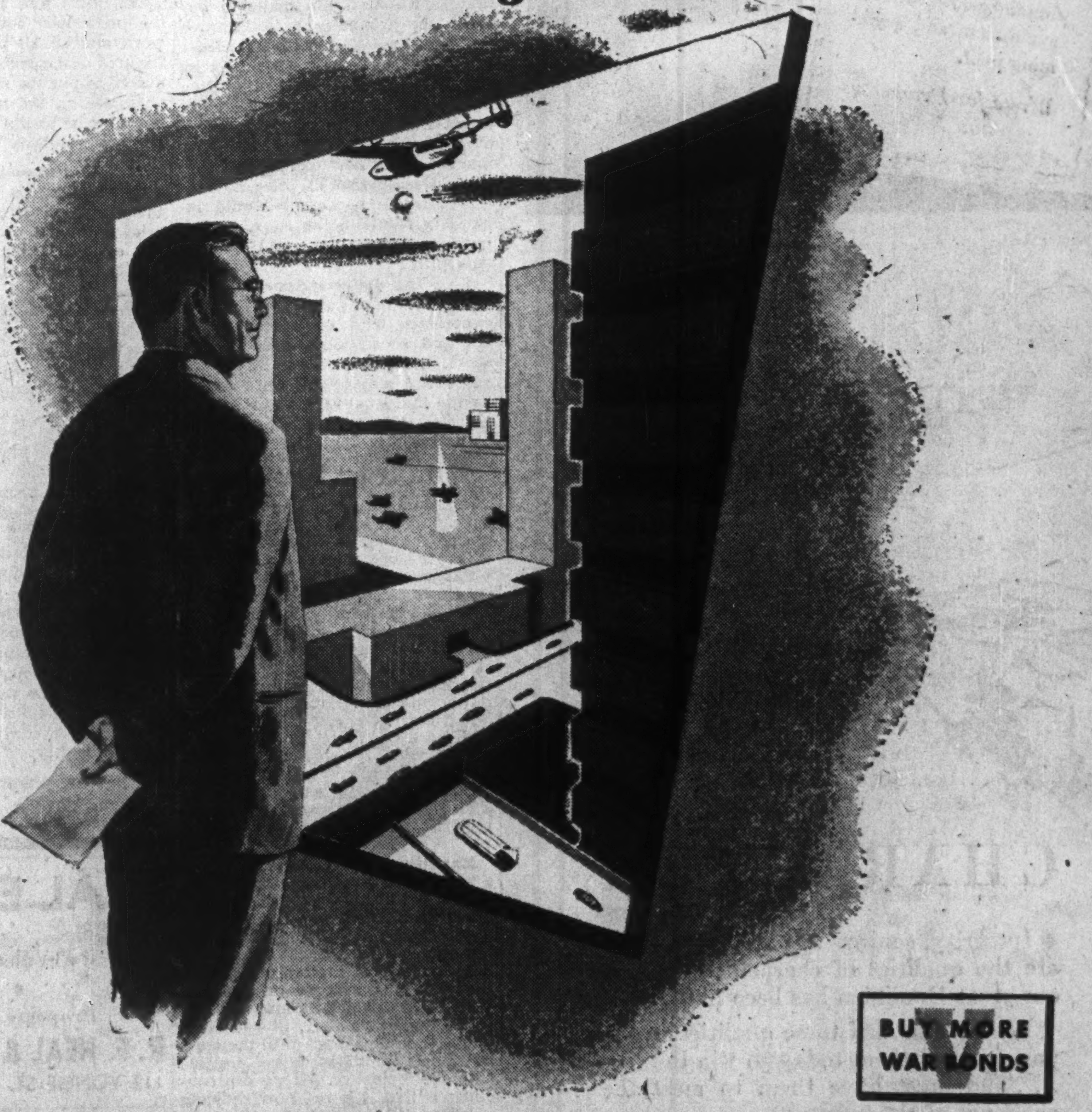

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During the past eight years thirty-three University Scholarships have been won by boys from this school.
All senior school boys belong to the Cadet Corps and attend classes in military studies.
Applications for entry should be made before the end of July; in past years many applications have had to be refused because of lack of accommodation.
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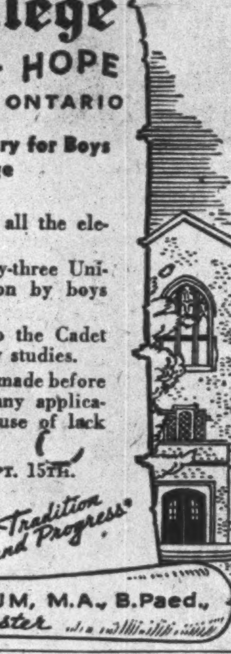
Full information will be gladly sent on request to the Headmaster.
"Tradition and Progress"
PHILIP A.C. KETCHUM, M.A., B.Paed., Headmaster



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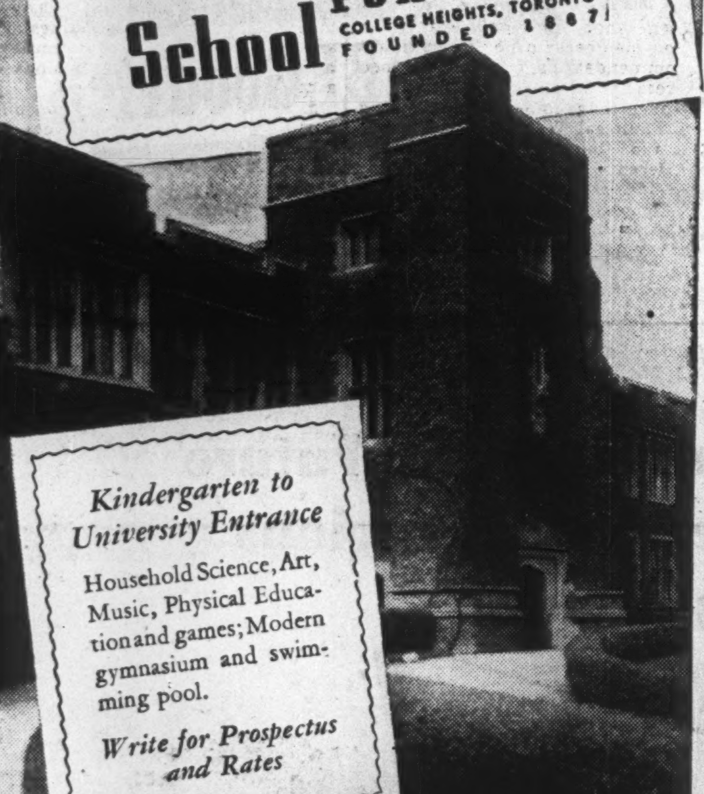

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Postwar Planning

"Security Comes from Jobs"

Dominion Engineering States Case for Capital Investment

In a 30-page pamphlet entitled "Employment, the Foundation of all Social Security," Dominion Engineering Works Ltd., of Montreal, makes a careful statement of its business beliefs and demonstrates that employment is the real solution to the question of social security; that the capacity of enterprise to give employment depends not only upon businessmen but on wise fiscal policies on the part of government.

Dominion Engineering recommends the following changes in our tax structure which it deems likely to "offer immediate encouragement to capital investment."

Makes Recommendations

"1. Revision of corporation income tax regulations to permit the carrying forward of losses over a period of years as a credit against taxable income along the lines in effect in Great Britain.

"2. Elimination of double taxation on the same business profits in the hands of the earning company, and then in the hands of the shareholder, on a basis similar to that in effect in Great Britain.

"3. Elimination of the special additional tax now levied on investment income, as compared with earned income.

"4. The present rigid provisions of the present income tax regulations with reference to depreciation allowances could be made more flexible to agree with the facts of physical depreciation including obsolescence. This could be done by granting 'incentive' depreciation allowances for income tax purposes in respect of replacement and new construction and the purchase of new capital equipment undertaken during a period of subnormal employment in order to stimulate employment when most needed. Conversely, normal depreciation allowances on new capital construction and equipment purchases could be reduced to act as a brake on excessive expansion during speculative periods such as occurred prior to 1929. This principle is now being used through the War Contracts Depreciation Board to stimulate the expansion, by private enterprise, of new capital facilities required for war purposes.

"5. Elimination of all sales taxes on building construction and on other capital assets used for the purpose of earning income.

"6. Succession duties . . . should be carefully re-examined to ensure that they will not unduly discourage savings and the investment of such savings in capital assets, which are not readily realizable. For example, a lower scale of succession duties might well be applied to the ownership of such assets as housing and business premises and equipment, whether owned directly or through a limited liability company, than would apply to creditor assets such as bank deposits, bonds or mortgages. This might stimulate home ownership, replacement of obsolete housing facilities and venture capital in enterprise with correspondingly increased employment opportunities in the capital goods industries."

Excess Profits Tax

The pamphlet points out that no company can now earn more than 70% of its standard profits during the base period of 1936-1939.

"There is no investment of its savings which it can make to improve its products or to improve its own manufacturing facilities which can increase its earnings by one dollar. (The refundable portion of the income tax offers some indirect incentive to operating economies, but is not sufficient to justify investment in new equipment.)

"A continuation of present taxation rates in peacetime would inevitably result in the stagnation of individual initiative and private enterprise."

Tax Defects Appear

The pamphlet points out that our experience with income tax, sales tax and succession duties is very short, going back over barely 20 years, and that defects were hidden by the low level of the rate and by the tremendous volume of new investment funds resulting from wartime inflation.

"When some of the inflation began to be squeezed out in 1929 the defects of our taxation policy became more evident and then were accentuated by the substantial increases made in taxation rates to pay for unemployment. So it was being said from many quarters, and unfortunately widely believed, that the system of private enterprise had failed, that some new system, based upon government spending and greater control of industry by the state, was the only alternative.

"But the unpleasant fact stares us in the face that the first real experience of high taxation in relation to current income has been accompanied by a large scale unemployment continued year after year up to 1939.

"It is not a fit appraisal of the facts to say that the system of private enterprise has failed. The failure was caused, to a very large extent, by our own careless handling of our business affairs. For instance, it was generally accepted as a matter of public policy all over this continent to increase government spending to support the unemployed and to stimulate employment. It was also public policy to obtain the money to meet the government's requirements by levying increased taxation in accordance with the taxpayer's ability to meet the payment rather than with any consideration of the effects of such taxation upon employment. It was this public policy which, no doubt unwittingly, produced conditions unfavorable to the expansion of enterprise and employment."

Arbitrary Basis

It points out that the corporation's income tax is arbitrarily based upon the earnings of one year. "This restriction imposes a very unequal burden of taxation on total earnings in different businesses with the burden heaviest on the business whose income from year to year fluctuates most and, therefore, in which the shareholder takes the greatest risk. A company with relatively stable earnings pays about one half the rate of income tax over a period of years compared with a company with variable earnings over the business cycle, such as is general in the construction and industrial equipment industries."

The sales tax, says the pamphlet, "is now a direct capital levy upon the conversion of savings into new capital investment including improved means of production. It must be paid solely for investing such savings, regardless of the risks involved and regardless of whether one dollar of profit is or is not made from the venture undertaken by the investor.

Capital Goods Industry

"The capital goods industry itself when it invests savings in experimentation and the development of new machinery or processes, and in which very considerable risks are taken, must also pay sales tax on the materials consumed in such work and on all patterns, jigs and fixtures and special equipment required to put the new machinery or processes on the markets, and this tax must be paid whether or not the venture results in a profit or loss."

Succession Duties

Commenting on succession duties the pamphlet states that at present rates succession duties "have the effect of discouraging saving and encouraging spending both from income and capital to meet current expenses. They also create an increased debt which must be paid in cash upon the death of the owner, and therefore they reduce the portion of the person's savings which can safely be invested in fixed assets, such as the construction of buildings and improved means of production. They divert venture capital away from private enterprise toward investment in government bonds.

"No real or lasting security can ever be achieved merely by redistribution of the national income, which is all that the Beveridge Plan or any similar social security plan can do," the statement declares. It points out that the will to win the war is adequate stimulus to provide money by taxation and borrowing to a degree that supports maximum employment.

New Stimulus Needed

When the war is over, another stimulus will be needed and that must be provided by fiscal and economic policies which will encourage thrift and the conversion of savings into capital for enterprise.

"Regardless of what kind of social system we live under, we are dependent upon new capital formation for the attainment of full employment in a rising standard of living. All our industrial capital, our tools, including the whole of our vast industrial machine, have been created from the very beginning of time by saving labor from current production and converting it into improved means of production . . . It is thrift, that is, spending less than our income, . . . which has brought us from the condition of the Stone Age to our present relatively high standard of living.

"It is necessary to do even more than to replace worn out plant if we hope to achieve a rising standard of living. We must constantly be improving the means of production so that we shall be able to produce more. This means that we require new factories, improved machinery, more power, better transportation facilities and such like from one end to the other of our industrial organization.

Savings Necessary

"In order to maintain our present productive abilities and create new ones we must reserve a sufficient proportion of our productive capacity and employment to make capital goods . . . If everyone collectively restricts their consumption to something less than their income they provide the money to pay for the production of capital goods.

"By this process of saving we assure our future ability to maintain or increase our own production. It will thus be evident that thrift, the avoidance of extravagance of all kinds, and saving out of current income, is an essential condition to the attainment of full employment and a rising standard of living.

"This applies to all classes of the community. It applies even more strongly to those with larger incomes, who are better able to contribute most to the pool of savings from which only our new capital investments can be drawn . . . It is variations which have occurred from time to time in the amount of savings converted into capital investment which cause the volume of employment to rise and fall."

Adequate Employment

Commenting on the view that adequate employment after the war can only be provided by the continuation of large expenditures by the state, and high taxation, the Dominion Engineering statement declares:

"There is no reason why the responsibility for providing employment should not be shifted to private enterprise immediately after the termination of the war if the government will co-ordinate its postwar plans with the postwar plans of private enterprise. Any such co-ordination of plans necessarily assumes that the government's postwar policies will produce conditions favorable to the expansion of enterprise."

Market Opinions

Anti-inflation program and possibility of an earlier than expected end to the war in Europe are cited as major stock market factors.

Barron's, N. Y., (The Trader)—Response of stock market to Office of War Mobilization program should promptly make clear how vulnerable it is to any all-out offensive against inflation. In view of the character of the buying for the past few months . . . and in view of the low yields of representative issues and the high capitalization of corporate profits, a rise lasting over 13 months would be distinctly susceptible to a rude awakening on the grim necessity of avoiding wartime inflation.

* * *

Magazine of Wall Street, N.Y.—As a matter of prudent judgment of values, we would be cautious as regards "loading up" with new commitments for either long range or intermediate investment objectives; but as practical matter we assume the great majority of our readers are already adequately invested. For these, the best policy, in our opinion, is to "ride along" until the market itself provides more positive "get out" evidence. All we can conclude is that it is not now showing toppling signs.

Southern Canada Power Net Affected by Taxes

Southern Canada Power Co.'s net earnings for the first eight months of its current fiscal year record a falling off, due to increased taxes. Gross earnings also were off slightly, but taxes were the principal cause of the lower returns.

Eight Months Ended May 31

	1943	1942
Gross earnings	$2,144,690	$2,155,042
Less: Oper. expe., tax.	1,190,041	1,129,233
Earn. before int., depr.	954,649	1,025,809
Less: Int., deprec., amortiz. & divds.	935,147	933,982
Added to surplus	19,502	91,827
Earn. per common sh.	58.2c	76.3c

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We have needed these qualities in the past... need them today to win the war... and must have them to meet the challenge of the future.

So let us keep always in mind the fact that these qualities flourish most freely under the system of free enterprise... and let us be sure we employ the benefits of that system to the full in solving Canada's post-war problems.

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The Shareholder

Well-sustained profits for Canadian companies are not only desirable from the standpoint of shareholders but from that of the Dominion Government, the NWLB brief of Donald Gordon suggests. What Mr. Gordon had to say is of particular interest because it may provide a clue as to what is ahead for industry.

Mr. Gordon pointed out the obvious if little realized fact that the Dominion is a big partner in industry through the corporation and excess profits taxes, taking a minimum of 40% of profits as taxes from most companies. Thus the Dominion has a "vested interest" in seeing that the present squeeze on narrow profit margins between costs and selling prices doesn't become too great. If that profit margin were to disappear, the Dominion would be faced with the necessity of replacing one of its largest sources of revenue. This would not be simple.

Pressure for increased wages is one of the gravest threats to profit margins today, and, as Donald Gordon pointed out, if the Dominion Government is to give in, so that the wage ceiling gives way, equilibrium would be upset. The only way the Dominion could maintain its revenue, apparently, would be to lift the price ceiling entirely, a step which might bring much greater chaos than anything experienced to date.

* * *

Public utilities, with narrow profit margins and fixed rate charges, haven't found as much favor in investors' eyes as some other issues in the last year or so of war. The Union Gas Co. report, reviewed elsewhere, shows how the war can affect what is usually considered a rather stable type of stock.

In the United States, however, the Magazine of Wall Street points out the utlity group of issues has already regained some of its popularity. Some of the reasons for thinking their position is improving seem to have parallels in Canada. Federal intervention in the U. S. public utility field was considered a threat to utilities for a while, but intervention has not been nearly as serious as at one time appeared possible. Prospects for peacetime are considered good.

In Canada government participation in the public utility field (and interference through special legislation) has been much less marked than in the United States.

While much of the great Canadian expansion of power resources has not been carried out by public utility concerns, it is possible these concerns may be asked to assist in distributing this power after the war.

Canadian utilities—like those in the United States—may experience a relatively smaller shrinkage of profits after the war than many other firms. Profits haven't shown a marked rise in wartime but neither do they appear likely to show as marked a drop.

* * *

Larder Lake mining camp may make major "ore news" in the next 6 months or so. Chesterville Larder Lake not long ago resurveyed a drill hole which showed Kerr-Addison's main ore body, No. 21, entering the Chesterville ground at depth. This resurvey indicated that a large tonnage of much higher than average grade ore might be opened up by underground work at Chesterville. Further diamond drilling and lateral exploration are being done to open up this section and another six months should tell the story, it is stated. There is a friendly controversy just now as to what happens to the No. 21 ore body at depth. The Chesterville consulting geologists thinks the ore body will gradually move over into Chesterville ground at depth but the Kerr-Addison people say that the much deeper work on their property indicates no significant "rake" and the new Chesterville ore is probably a lengthening of the No. 21 ore body in the Chesterville direction.

Pulp and Paper
Prospects for newsprint securities among topics discussed in current issue of our Notes on Securities.
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Apply nearest Employment and Selective Service Office, Refer to H.O. 338.

IMPORTANT NOTICE TO ALL WHO HAVE FIRE INSURANCE POLICIES:

The War Risk Exclusion Clause of all Fire insurance policies in Ontario has been changed by Act of Parliament as follows:—

"(1) Clause (b) of Condition 4 of the Statutory Conditions set forth in "Section 106 of The Insurance Act is suspended, and the following substituted "therefore:—

"(b) for loss or damage caused by insurrection, riot, civil commotion "or usurped power, or for war damage as defined by paragraph (m) of "Section 2 of the War Risk Insurance Act, 1942 (Canada), and as interpreted by a certain Order of the Governor-General in Council number"ed P.C. 11038, dated the Third day of December, 1942.

"(2) Subject to the exception stated in Sub-section 1 of Section 106, "Clause (b) of Condition 4 of the Statutory Conditions, as enacted by this "Section, shall be deemed to be part of every contract of fire insurance "now in force or hereafter made, notwithstanding that it is not printed in "the policy.

"(3) This section shall continue in force only until a day to be named by "the Lieutenant-Governor by his proclamation."

This change was due to two main reasons, the first being that the present Statutory Condition is out of date (being over 50 years old) and, in relation to modern war conditions, is obscure. It does not fulfill its purpose of specifying the particular aspects of War perils which it is intended to exclude.

The second reason is that the Dominion Government has provided a scheme for War Risk Insurance and also a definition of the War perils. It is undesirable that there should be an overlap between the ordinary Fire policies and the Dominion War Risk Scheme, which under some circumstances might obtain under the present Statutory Condition. The Insurance Companies have also signed agreements with the Dominion Government not to write insurance which conflicts with the War Risk Scheme.

Under the change in the Statutory Condition the insuring clause which defines the peril insured against under the Dominion War Risk Scheme is used as the exclusion clause of the Fire policy.

NOTE:—Similar changes have been made in most of the other provinces.

The Insurance Companies represented by the undernoted Organizations have also agreed that the ADDITIONAL PERILS SUPPLEMENTAL CONTRACT which is attached to many Fire insurance policies and which includes insurance against EXPLOSION in addition to Windstorm, Riot, Impact by Aircraft or Vehicles, Smoke Damage, etc., may be made subject to a similar War Risk Exclusion Clause in lieu of the existing one. This latter change is of material advantage to the insuring Public, and one which the Insurance Companies are pleased to be able to make.

For further information inquire from your Insurance Agent.

This advertisement is inserted by:

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CANADIAN UNDERWRITERS' ASSOCIATION

Government Has Key Place in Rehabilitation

Federal Capital Needed to Ease Adjustment of Private Interests; Crown Tax Exemption Challenged by Citizens' Research Institute

At least 1,500,000 persons must be replaced in business and industry after the war to maintain the present level of production and national income, Horace L. Brittain, director of the Citizens' Research Institute of Canada, states in his 1943 report to the national board of trustees.

Mr. Brittain says most postwar planning must be done by private corporations and individuals and paid for with postwar income as it is earned. If an annual capital investment of $3.5 billions is required, a national income of some $7.5 billions will be needed. A national income of $3 billions, as in 1933, is quite inadequate for rehabilitation and reconstruction.

Municipalities Build Reserves

Since 1939, Mr. Brittain declares, Canadian municipalities have reduced net debt from $116 millions to approximately $30 millions. This creates a reserve of credit against the capital expenditures necessary in the future.

While public bodies are responsible for a comparatively small portion of national production of goods and services, they can set programs in operation immediately and tide over the reconstruction period.

Government bodies can set an example to private enterprise after the war, but the two together will require investment of large amounts of capital, largely borrowed. Careful timing, Mr. Brittain believes, will avoid competition for funds between public and private agencies. If the present level of national income is not maintained, great difficulty may arise in borrowing. Thus reserves must be built up from present revenues to defray future capital expenditures.

Against Tax Exemptions

Tax exemptions of schools, government bodies, hospitals and other institutions, the Institute maintains, are, in effect, subsidies. No sound reason is seen for either partial or complete exemption of property of undertakings operating for profit or of revenue-supported publicly-owned utilities.

The doctrine that crown property cannot be taxed is obsolete under modern conditions. So also, the Institute states, is the theory of partial or complete exemptions to encourage new industry. It is now realized incoming industry is no longer pure gain but brings with it added costs to the community.

Unless provision for full taxation of wartime government corporations is made, the Institute states, whole structure of municipal finances may become unbalanced.

Transfer of ownership of a plant from private to government ownership means loss of revenue for the municipality. At the same time the inflow of workers and their families demands the same local services as permanent residents.

While federal authorities have sometimes provided a payment in lieu of taxation, or supplied some services direct to their employees, government owned industrial corporations may become a permanent feature of Canadian economy, and their tax position demands early settlement.

Land on which churches stand should be liable for taxation, but the building itself (since it is not easily adaptable to other uses) exempt. Private schools and hospitals, the report states, should be taxed when they operate on a profit basis.

Need Co-ordination

Amalgamation of the three maritime provinces and the three prairie provinces is cited as having been "widely advocated," but the Institute does not offer an opinion on its practicability. In municipal government, very often such departments as police, fire, public health and welfare should be reorganized to come under one "protective" grouping. Other central divisions suggested are "overhead," to include treasurer, city clerk, etc., and "services" to administer upkeep and construction of municipal property.

The Institute disapproves a recent "rather pronounced movement" to introduce party politics into municipal elections. Smaller provincial legislatures would, it is suggested, be advantageous. The Institute states legislatures one half or even a fourth of their present size would mean no real loss and business would be expedited.

Housing

On housing, the Institute recommends five principles:

1. War and emergency housing should be non-permanent and operated under federal authority.
2. Low rent and low cost housing requiring public assistance should be permanent and operated to bring co-operation between public authority and private interest.
3. Temporary and permanent housing should not be operated or supervised by the same public organization. Guarantees are needed that temporary housing will be discontinued immediately after the war.
4. Detailed town planning and zoning should be a part of any permanent housing program.
5. No policy of "socialized" housing should be adopted without full public approval.

Shipping Lack Hurts 'Pete'

Earnings Lower But New Discoveries Stand Up Under Development

With crude oil production from Colombia and Venezuela "drastically curtailed" due to lack of tanker tonnage and the continental European crude market still being closed, International Petroleum Co. experienced a decline in profits in 1942. Earnings were equal to 93.7 cents U. S. compared with $1.23 a share U. S. for 1941.

Limiting factors on crude output meant that only 25,994,378 bbls. were turned out from company's fields in 1942 (including company's share of Mene Grande's Venezuelan output) as compared with 41.8 million bbls. in 1941. A sharp increase was shown in oil refined, however, a total of 16.6 million bbls. being processed in 1942, including 2.7 million bbls. of purchased crude, against 10.5 million bbls. processed by the company's refineries in 1941.

Exploration Satisfies

Satisfactory results from Peru exploration and development in 1942 are reported to shareholders by President G. H. Smith. One of three oil discoveries mentioned the previous year turned out to be a very productive, although moderately sized, pool; the second, as anticipated, proved relatively small, but development resulted in an extension of equal or greater importance.

The third discovery has not yet been followed up but another discovery of importance, in another sector, resulted from drilling a moderately deep well.

New Company Formed

During 1942 Ecuadorean Petroleum Co. was formed to consolidate Ecuador properties held with those of Standard Oil of New Jersey. A 60% interest is held in the new company. One well was completed "without favorable results."

Drilling of wells in both Colombia and Venezuela was restricted along with production of crude.

Hearings in the Supreme Court of Colombia on whether the De Mares concession of Tropical Oil Co., (International Petroleum's subsidiary) ends in 1946 or 1951 have been concluded and are now up for judgment. Confidence is expressed by Mr. Smith in the fairness and impartiality of the Colombian court.

Industry and Labor Proposals For NWLB Hearing Continue

National War Labor Board at Ottawa continues to hear views on wage and other labor matters under Justice McTague's chairmanship. Industrialists, individuals, companies and labor organizations are presenting their ideas out of which Canada may develop a real national labor policy.

Steel Co. of Canada

To the end that labor laws and their administration may promote "harmonious relations and uninterrupted production during the war," a brief presented to the National War Labor Board by Steel Co. of Canada urged changes in the Industrial Disputes Investigation Act that would "definitely illegalize and penalize in some enforceable way" sympathetic strikes, strikes arising from jurisdictional disputes and the "closed shop" on government contracts. Picketing, other than that confined to employees involved in a strike, should also be barred, it was held.

Changes in administrative practice under the act were recommended. These would:

1. Require proof of majority membership of employees whenever a union demanded sole bargaining recognition.
2. Disallow, until expiry of an existing agreement, the "representation vote" in cases where one bargaining agency sought to oust another.
3. Provide for absence of bias on the part of government conciliators and commissioners so as to convince both sides in a dispute "of their sincere interest in establishing better labor relations."
4. Develop a plan whereby a trade union refusing to live up to a bargaining agreement would be deprived of its right to bargain collectively for period of one year.

As remedies for strikes caused by opposition to wartime regulations, Steel Co. of Canada proposed greater publicity through press and radio which would explain the government's wages control order and its part in anti-inflation.

To correct the situation developing through failure to control wages paid by newly organized companies, Steel Co. of Canada would "revert to the principles of P.C. 7440, which intended to peg wages and provided a cost-of-living bonus based on the increase of cost of living since Aug., 1939, or the date of the last wage increase, whichever is the later."

As for a uniform cost of living as demanded by some labor interests, the Steel Co. brief argued this cannot be paid "without nullifying the principle of the status quo."

Otis Fensom

Collective bargaining legislation should require that contracting parties be legally incorporated bodies and that the "true representative status" of any collective bargaining agency be established on an "incontrovertible basis" before any claim to bargaining rights is taken into official consideration.

Collective bargaining agreement provision for "bargaining rights," the "closed shop," "continuity of membership" and the "check-off" tend to interfere with independent workers' rights, it was held. It was urged that legislation relating to collective bargaining agreements should prohibit "any conditions of agreement that have the effect of making the earning of a livelihood by any person conditional upon becoming or continuing to be a member of a union."

Such legislation should require proof of majority membership in the event of a bargaining agreement being renewed, the brief recommended. A further suggestion was that officers of a bargaining agency which is party to a labor agreement be elected annually by ballot.

Imperial Oil

Importance of employee-employer councils in industrial labor relations was emphasized in a brief by Imperial Oil Ltd. to the National War Labor Board. This form of organization, "which has demonstrated its usefulness in preserving peace and promoting justice," should have legal recognition and protection, it was declared.

As a means to industrial peace, "the law should provide that all procedures helpful to attain same should be utilized between employees and employers before recourse to strike or lockout."

Where some recognized form of grievance procedure has failed to avoid a strike, the Imperial Oil brief suggested, an "impartial body having jurisdiction to avoid or end strife by settling disputes between employee representatives and employers" should deal with the matter.

"The only fundamental legislation required so far as employees are concerned," the brief summed up, "is that which assures an employee the legal right to freedom of association in dealing with his employer individually or through a group, union or representative of his choosing."

Pulp & Paper Ass'n

Collective bargaining agreements should be voluntary. Labor organizations should be legally required to file annual returns of their officers and supply members with annual statements in the same way as corporations do. Provision should be made for prompt adjustment of labor grievances before regional boards permanently established.

These views were expressed in a brief presented to the National War Labor Board by the Canadian Pulp and Paper Association, on behalf of members said to comprise 99% of pulp and paper producers in Canada.

Successful operation of voluntary agreements "in nearly all" of the association's plants was cited as an example of the mutual advantages to be derived therefrom. Once an agreement has been made between an employer and employees, it should be legally binding on both parties through its life, the association stated, and urged legislation to this effect.

Labor organizations should file returns, the brief argued, because "the influence of organized labor has become of such importance that it is difficult to justify its remaining outside the scope of the law to which industry is subject."

In recommending permanent war labor boards, the brief declared the pulp and paper industry "is convinced present conciliation procedure under the Industrial Disputes Act is not well adapted to wartime conditions."

Montreal War Industries Council

The Montreal War Industries Council and the Quebec Shipbuilders' Conference, in a memorandum to the National War Labor Board, urge that measures be taken to acquaint management and labor throughout Canada with the necessity of co-operation in making effective the existing regulations designed to prevent inflation.

They recommend:

1. Permanent conciliation boards or panels be established on a regional or other appropriate basis to function at least during wartime.
2. These boards should be composed of persons chosen from the ranks of established industry and labor and presided over by umpires selected from among persons of ability taken from the ranks of commerce, engineering, the bar or educational institutions, as well as from the judiciary.
3. The boards should be authorized to hear any dispute on the direct written request of either of the parties and to hold sittings in any locality most convenient to all concerned and, where possible, to visit the premises affected.
4. Preliminary contact with the parties by industrial disputes commissioners as provided in Orders-in-Council P.C. 4020 and P.C. 4844 may well be continued.
5. Such conciliation boards should have jurisdiction to deal with all matters affecting relations between management and labor in war industries and their decisions should be final and binding upon the parties. Under no circumstances should a strike vote be required as a condition precedent to the setting in motion of a board's functions.
6. Boards should have no jurisdiction to deal with the question of closed shop or maintenance of union membership nor to make any recommendations with respect thereto.

Concerning collective bargaining, the Montreal War Industries Council and the Quebec Shipbuilders' Conference recommend:

1. Identity of the agency, which should represent the employees in collective negotiation, should be established. In a dispute between employer and employees' organization either party should have the right to submit the question for decision to the permanent conciliation board.
2. Method and form of the ballot in the event of a vote should be approved by the board.
3. In determining the negotiating agency, the board should ensure that the rights of substantial minorities are properly protected.
4. The board should have power to hear and determine any questions arising as to interpretation or breach of any of the provisions of a collective labor agreement.
5. Any group or organization purporting to represent employees for the purpose of a collective labor agreement should be required to register with the Department of Labor.
6. All collective labor agreements, when executed, should, during the term for which they are stipulated, be considered as binding contracts between the parties unless otherwise directed by the board. In such contracts the question of closed shop, maintenance of union membership or check off should not be within the jurisdiction of the board and any strike should be made illegal if called by reason of the unwillingness of an employer to accept these stipulations.

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Dominion Bank Building Toronto

Company Reports

Union Gas Co.

With an 18% decrease in gas sales and a $350,248 increase in operating expenses, Union Gas Co. net profit declined the year ended March 31, 1943, with earnings of 36 cents a share compared with $1.04 a share the preceding fiscal year.

Reduction in available gas reserves, however, has been met by a plant at Windsor for storage of purchased liquid propane and by construction of a plant at Sarnia for purification and conversion of refinery still gas purchased from Imperial. While these plants allowed all gas requirements to be met last winter, cost of gas purchased and operating expenses of new plants meant a major increase in operating expenses, it is stated.

New government heating regulations also affected costs.

A special surcharge on all gas consumed by industrial users in excess of 100,000 cu. ft. has been authorized by the WPTB and is expected to result in a more adequate price for gas sold in this field.

Income, Surplus—Years Ended Mar. 31

	1943	1942
Net oper. profit	$1,716,456	$2,518,394
Add: Int. cont. co. bds.	31,979	32,100
Int., govt. bonds	3,639	3,821
Net earnings	1,752,074	2,554,315
Less: Develop. costs	225,697	356,233
Depreciation	838,579	770,614
Interest* bonds of:		
Union Gas Co.	151,057	161,188
Windsor Gas Co.	44,645	46,722
City Gas (London)	14,440	15,350
Spec. depreciation	47,027	47,272
Inc. & E. P. taxes	175,000	425,000
Net profit	255,629	731,936
Less: Union Gas divd.	141,240	706,199
Surplus for year	114,389	25,737
Add: Prev. surplus	1,801,766	1,750,466
Tax adjustment	†	25,563
Surplus forward	1,916,155	1,801,766
Earnings per Share	$0.36	$1.04
Paid	0.20	1.00
Working capital	$874,043	$378,932

Inter. Power

International Power Co.'s general statement for 1942 shows a moderate increase in total income, while net profits were equal to $2.35 a share on the common, as against $1.86 the year before.

Owing to litigation on the expropriation of Porto Rico Power properties by the U. S. Government, the company has been without any revenue since last July. All income is going to the federal authorities pending result of legal proceedings.

Capital outlay by subsidiaries last year amounted to $1.5 millions, chiefly in connection with construction of additional hydro-electric plants in Newfoundland and Bolivia. On the consolidated accounts, $785,455 was written off franchises and organization expenses.

Income, Surplus—Years Ended Dec. 31

	1942	1941
Total income	$1,358,835	$1,306,521
Less: Misc. exps.	17,263	12,794
Directors' fees	4,000	4,000
Legal fees	10,000	10,000
Debent. interest	351,367	360,489
Interest on loans	5,571	4,049
Debt discount	17,771	20,107
Net profit	952,863	895,092
Less: Pref. divds.	960,000	660,000
Surplus for year	*9,137	235,082
Add: Prev. surplus	1,510,255	1,275,174
Spcl. sub. divd.	1,452,280	......
Earned surplus forw'd	2,955,399	1,510,256
*Deficit		
Earn. per share: Common	$2.35	$1.86
Working capital	$1,094,243	$278,547
Balance Sheet Changes		
Cash	$1,138,666	$431,389
Investments	250,000	150,000
Sub. advances	9,419,434	8,875,770
Bank loans	49,253	67,468
Funded debt	5,167,000	5,300,500

Ont. Tobacco

During the year ended March 31, 1943, planted acreage of Ontario Tobacco Plantations, Ltd., was increased by one third, but the report for the period of J. F. MacKay, president, states that poundage per acre was reduced by unfavorable weather conditions an almost similar amount. Due to the shortage of labor, wages paid during the growing and harvesting seasons were up more than 75%.

A minimum average of 26.5 cents per pound was set by the Marketing Board for the 1942 crop, an increase of 3.75 cents over the scale established the year before. Mr. MacKay states that the better price was due in part to improved quality of crops, but was offset by higher labor costs and lower yield per acre.

During the past two years the company has spent a considerable sum in the purchase of labor-saving machinery and on repairs to kilns, in order to meet more easily the labor shortage and to improve the quality of the product. Mr. MacKay states that results have justified expenditures, which are no longer likely to be necessary, at least for the immediate present.

Shipping difficulties reduced the amount of Canadian tobacco consigned to Britain in the year, but Canadian demand has increased to such a degree that for the first time in several years no flue-cured tobacco now remains in the hands of the growers.

A smaller acreage will be planted in the current year due to the Wartime Prices and Trade Board ruling restricting the use of chemical fertilizer.

Income, Surplus—Years Ended Mar. 31

	1943	1942
Tobacco sales	$150,809	$127,045
Less: Mktg. board deduction	436	506
Sharemen's portion	70,486	56,447
Add: Other income	11,132	9,320
Gas wells rental	75	.....
Total earnings	91,094	79,412
Less: Oper. exps.	59,253	49,641
Admin. exps.	12,183	10,655
Depreciation	6,286	20,075
Income, E. P. taxes	5,349	......
Net profit	8,023	*960
Less: Prev. deficit	6,044	2,595
Loss on assets	......	2,489
Surplus forward	1,980	*6,044
*Deficit.		
Working capital	$30,837	$21,298
Balance Sheet Changes		
Cash	$28,897	$20,745
Accts. receivable	10,973	15,265
Mortgages payable	33,438	33,856

G. B. & C. Trust

Great Britain & Canada Investment Corp.'s report for the year ended March 31, 1943, shows earnings well maintained, but due to sharply higher taxes, net profits dropped to $53,748, as against $86,302 the year before. This was equivalent to $1.39 a share on the preferred, compared with $2.24 in 1941-42.

Investments at the end of March had a market value of $4,961,314, compared with $3,955,012 at the close of the previous year. During the year the company reduced outstanding debentures by $109,000 to $3,294,000 and purchased 37 shares of preferred stock.

Income, Surplus—Years Ended Mar. 31

	1943	1942
Total income	$272,844	$273,977
Less: Expenses	11,894	11,957
Withhold tax	13,299	......
Directors' fees	5,000	5,000
Other expenses	1,592	1,451
Exchange loss	8,853	9,719
Debent. interest	149,890	156,690
Taxes	35,566	2,858
Add: Refund. tax	7,000	......
Net profit	53,748	86,302
Previous surplus	610,998	509,839
Add: Rev. prior years	4,155	14,988
Tax adjustment	5,272	......
Less: Add. inc. tax	......	13]
Stock redemption	296	......
Surplus forward	673,878	610,998
Earned on Preferred	$1.39	$2.24

United Fuel

A net profit of $310,105 was realized by United Fuel Investments, Hamilton, in the year ended March 31, 1943, compared with $421,517 the preceding fiscal year.

After payment of dividends at the 6% rate on the "A" preferred shares, earnings on the combined common and "B" preferred issues were equal to 24 cents a share compared with 86 cents the previous year.

Lower net is attributed to a lower profit from sale of gas and coke, due to higher coal costs, and a substantial increase in oil and liquid propane used in the auxiliary gas manufacturing plants constructed to meet war gas demands. These higher costs were offset only in part by increased sales of coke and gas.

Working capital increased $234,620 during the year to $1.7 millions. Funded debt was reduced $178,500 and 8,404 "B" preferred shares were retired.

A third of the plant being built for the Dominion Government next to the company's coke plant is now in operation and the rest of this gas and coke plant is scheduled for completion before the end of the summer.

An increase allowed in the price of coke is expected to offset a substantial increase in coal costs.

Cons. Income & Surplus Account
Years Ended March 31

	1943	1942
Operat. profit	$1,389,106	$1,592,203
Less: Depreciation	400,755	397,826
Interest	330,246	337,860
Income taxes	298,000	385,000
Inventory reserve	50,000	50,000
Net profit	310,105	421,517
Less A pref. divd.	270,000	270,000
Surplus for year	40,105	151,517
Add: Prev. surplus	1,187,679	1,017,300
Adjustments	39,423	18,862
Surplus forward	1,267,207	1,187,679
Earnings per Share and Dividend Record:		
Cl. A pref.: Earned	$3.44	$4.63
Paid	3.00	3.00
Cl. B pf. & com.: Earn.	0.24	0.86
None paid.		

Details Costs Of Air Schools

House of Commons Gets Details of Expenditures From Air Minister

A breakdown of expenditures on Canada's air observer and elementary flying training schools since their inception, given the House of Commons recently by Hon. Cyrus Macmillan, parliamentary assistant to the Minister of National Defense for Air, was as follows:

Air Observer Schools	
Malton	$1,988,265
Edmonton	1,901,011
Regina	1,893,216
London	1,727,888
Winnipeg	1,614,614
Prince Albert	1,072,390
Portage la Prairie	1,547,143
Ancienne Lorette	1,301,139
St. Johns, Quebec	1,365,506
Chatham, N.B.	1,279,092

Elementary Training Schools	
Malton	$1,335,501
Fort William	1,468,702
London	750,070
Windsor	1,048,678
High River	1,700,060
Prince Albert	1,330,145
Windsor	1,047,656
Vancouver	537,137
St. Catharines	1,185,109
Mt. Hope	1,241,627
Cap de la Madeleine	1,227,857
Goderich	1,174,643
St. Eugene	1,219,979
Portage la Prairie	1,320,180
Regina	1,155,766
Edmonton	1,259,679
Stanley	521,025
Boundary Bay	1,502,055
Virden	1,492,148
Oshawa	1,343,695
Chatham, N.B.	997,165
Ancienne Lorette	306,097

Abitibi Decision For Next Month?

While no definite predictions are being made, London sources report that a decision on the appeal of Abitibi Power & Paper Co. from the Ontario Court sale order may be brought down some time in July.

If the appeal proves unsuccessful and the Ontario Court order stands, the company's assets will be put up for sale to satisfy the claims of bondholders. The company has been in liquidation since June, 1932.

Apartment for Sale

APARTMENT building in Winnipeg paying over 10,000.00 net income per year clear of all expenses. Full information upon request. This investment requires $20,000 cash, as a first payment, balance at 5% int.

FOUR PROVINCES INVESTMENT CO.
233 Somerset Bldg., Winnipeg, Man.

UNITED GRAIN GROWERS LIMITED

Notice of Redemption of Bonds

To the Holders of Five Per Cent First Mortgage Sinking Fund Gold Bonds, Series "A", of United Grain Growers Limited.

NOTICE is hereby given that, pursuant to the provisions of the Deed of Trust and Mortgage hereinafter referred to, all the outstanding Five Per Cent First Mortgage Sinking Fund Gold Bonds, Series "A", of United Grain Growers Limited, issued and secured under the Deed of Trust and Mortgage bearing date as of the 2nd day of January, 1928, and made between the said Company and the Montreal Trust Company (as Trustee for the bondholders), which bonds according to their terms mature on the 2nd day of January, 1948, will be redeemed by the Company on the **2nd day of July, 1943**, the date fixed for redemption thereof, by payment of the principal sum thereof, with a premium of 1% thereon, and with interest accrued to the said date fixed for redemption.

The said bonds will be so redeemed at the redemption price aforesaid, in currency which is legal tender in Canada, upon presentation and surrender thereof, with the coupon (in the case of coupon bonds) maturing on the 2nd day of July, 1943 and subsequent thereto, at any branch of The Royal Bank of Canada in the Dominion of Canada (Yukon Territory excepted).

Interest upon the said bonds will cease to accrue after the said date fixed for redemption, unless the Company shall fail duly to provide funds for the payment of the amount due upon redemption thereof.

DATED at Winnipeg, Canada, this 19th day of February, 1943.
UNITED GRAIN GROWERS LIMITED,
Per C. C. Jackson,
Secretary.

UNITED GRAIN GROWERS LIMITED

Notice of Redemption of Bonds

To the Holders of Four and One-half Per Cent. First Mortgage Sinking Fund Bonds, Series "C", of United Grain Growers Limited.

NOTICE is hereby given that, pursuant to the provisions of the Deeds of Trust and Mortgage hereinafter referred to, all the outstanding Four and One-Half Per Cent. First Mortgage Sinking Fund Bonds, Series "C", of United Grain Growers Limited, issued and secured under the Deed of Trust and Mortgage bearing date as of the 2nd day of January, 1928, and made between the said Company and the Montreal Trust Company (as Trustee for the bondholders), and under the Supplementary Deed of Trust and Mortgage bearing date as of the 31st day of December, 1936, and made between the said Company and the said Montreal Trust Company, which bonds according to their terms mature on the 2nd day of January, 1949, will be redeemed by the Company on the **2nd day of July, 1943**, the date fixed for redemption thereof, by payment of the principal sum thereof, with a premium of 2% thereon, and with interest accrued to the said date fixed for redemption.

The said bonds will be so redeemed at the redemption price aforesaid, in currency which is legal tender in Canada, upon presentation and surrender thereof, with the coupon (in the case of coupon bonds) maturing on the 2nd day of July, 1943 and subsequent thereto, at any branch of The Royal Bank of Canada in the Dominion of Canada (Yukon Territory excepted).

Interest upon the said bonds will cease to accrue after the said date fixed for redemption, unless the Company shall fail duly to provide funds for the payment of the amount due upon redemption thereof.

DATED at Winnipeg, Canada, this 19th day of February, 1943.
UNITED GRAIN GROWERS LIMITED
Per C. C. Jackson,
Secretary.

Featuring the new RIB-FELTS

CANADA'S "Sponsor of Smart Styling", presents RIB-FELT, the newest innovation in modern hat design. Created for comfort and attractiveness, the novel stitching around the crown replaces the conventional band . . . keeps your hat pliable and freshly shaped. Each distinctive RIB-FELT creation in new colortones.

LEWIS LIMITED
Head Offices and Factories: Truro, Nova Scotia, Canada

The Editorial Page . .

A New Spirit in the Maritimes

War has shifted into high gear the economy of the Maritimes Provinces, a special report on which area is a feature of this week's issue. The maritimes have more than overcome the ground they lost during the 1930's, when depression hit them hard. Today's output of their farms, mines, forests and fisheries is limited not by lack of markets, as it was in the past, but by lack of manpower.

No other part of Canada has had such a high rate of enlistment. In addition, the Maritimes have not shared proportionately in the wartime industrial development which has dotted Quebec and Ontario with new factories, and the Maritimes have lost to these factories many of their best workers.

Problem they face in the postwar will be to maintain full employment at attractive wages, so as to provide jobs for the tens of thousands of young Maritimers who are now in uniform, and to stem the exodus of population from which they have suffered for years. During the reconstruction period no region will have more at stake. Political and business leaders realize peace will bring the Maritimes to a crossroads from which they must either forge ahead or slip behind.

They see encouraging signs. For one thing they point to what they regard as a trend toward lower tariffs which they believe will help the basic industries of the coastal provinces. A wave of immigration from Europe to Canada may follow the war. Maritimers believe lack of population has been a handicap in the past, hope to secure desirable immigrants. In addition, events before the war were heading toward a constitutional readjustment of the position of the Maritimes. Maritimers say this is long overdue, are convinced it will come when peace returns.

But they are not sitting back waiting for external influences to take their course. They are taking stock of their assets, plotting their own destiny. Farming and fishing methods have been improved, new products are being made from the forest resources. These advances will be permanent.

Preoccupied as they are with war, in an area which is this country's front line, at the same time they are resolved that the Maritimes shall never again fall into a state in which they lack inducements to keep youth from packing up and moving elsewhere. There is a new spirit in the Maritimes, a new determination.

Consolidate These Appeals

The current drive to raise funds for the destitute Greeks, again emphasizes the necessity of a strong, permanent and national organization to take charge of all such appeals.

Rightly, the average Canadian has the greatest sympathy for the heroic people of a little country which would have completely routed the Italians had not the German panzers intervened.

But this does not mean that the average Canadian can possibly know how badly help is needed now, or what kind of help is most urgent and is possible to provide.

Only a national committee closely connected with similar organizations among all of the United Nations can take care of these matters efficiently. Otherwise, there is bound to be duplication and wasted effort and at a time when we cannot afford to waste a single inch of shipping space.

Instead of separate appeals by separate organizations, it would be much more efficient to consolidate these under a single head in the same way as most of our domestic civilian charities are now handled. The national and permanent committee in charge would then have the benefit of expert advice as to the proper apportioning of the funds collected, as to what supplies should be shipped, and where these could be obtained with the least possible delay and the minimum use of ocean shipping. This sort of vital information cannot possibly be available to various scattered voluntary committees, but it could be secured by a national organization working in co-operation with similar bodies among all our allies.

Common People Score

One minor triumph for the common man this week!

WPTB indicates a sweeping change in policy. Hereafter, in its flow of orders, the hint is it will use plain ordinary language, the straightforward King's English.

Gone, they say, will be the "whereases" and the "heretofores notwithstanding" so dear to the legal mind.

Since WPTB orders are designed to be read and understood and obeyed by ordinary citizens, the new plain language policy can be hailed as a contribution to the war effort.

Success of the plain language policy would, we hope, presage an era in which the laws of this country might be written in the language spoken in this country.

The legislators and the lawyers whose delight it is to torture the Canadian tongue into baffling mysteries would do well to take a look at WPTB Order 284, which makes some further regulations about the commencement, acquisition and expansion of businesses.

The Financial Post's Platform for War

1. *All manpower and resources, efficiently used, wherever needed, to win the war.*
2. *A national war cabinet of Canada's best, chosen not on party lines.*
3. *A non-political industrial executive to organize and direct procurement of war supply.*
4. *Pay-as-we-go policy, to the utmost possible limit to avert inflation.*
5. *Elimination of wasteful spending by public bodies or private individuals.*
6. *Planning NOW for postwar, by government and business, to ensure full employment and improving social standards through individual, competitive enterprise.*

Big or Little Vision?

Quebec Airways Co. recently appealed to the Board of Transport Commissioners for a license to operate an air service to the Saguenay region. The plea was supported by several firms with large interests in the area. They claimed present rail service was inadequate and that an air service would greatly facilitate operations in this great territory.

Canadian National Railways opposed the scheme. The Board of Transport Commissioners has so far reserved judgment.

This question very naturally arises: Is it sound business policy to try to prop up an enterprise or a stretch of railway by interposing Government decree between the business and its normal economic level?

In the early days of the industrial revolution, workers thought that by smashing machinery they were protecting their jobs and their standard of living. Time has abundantly proved they were mistaken.

The history of all enterprise, including transportation, is that business makes business; that business thrives on competition, provided it is alive and continues to adapt itself to changing social needs.

In the past, Canada has sometimes paid a very high price for the bitter rivalries of our two great transport systems.

If the Canadian people and Canada's national interest are to be well served, both at home and abroad, it is to be hoped that the two great enterprises will let common sense and the common good determine the development of air traffic lines.

Any less generous, farsighted policy will prevent Canada from fully realizing her great destiny in tomorrow's aviation era.

Conventions Are Necessary

It is difficult to understand the blanket disapproval of authorities regarding annual conventions. In the past, true, the term did apply sometimes to everything from an international carousal to the most serious and secret of trade gatherings. Some of these we can very well afford to do without and especially so in wartime. But some we cannot without very real loss.

So far as business is concerned, these functions, if properly handled, are even more necessary in wartime than they were in peace. They are not to be confused with office picnics, whoopee parties or holiday excuses.

For the average businessman, the convention offers an excellent opportunity for meeting other operators in his industry, for comparing notes on production, for discussing new products, new processes. It also provides an opportunity for various official administrators and controllers to discuss with the trade current and proposed wartime regulations and as a result to eliminate much confusion and delay. This type of gathering performs a most useful public service in wartime and its continuance should be encouraged.

The Postwar World . . .

In this department The Financial Post notes current comment, opinion and research on the world that will face us after the war has been won.

The Vital Role of Transportation

Brooke Claxton is Liberal member of the House of Commons for the Montreal constituency of St. Lawrence-St. George. Recently he was appointed parliamentary assistant to the prime minister. Below are extracts from his address delivered before the Montreal Traffic Club on the postwar role of Canadian transportation.

• • •

Transportation developments have been rushing us breathlessly from cross-road to cross-road almost before we could see where we were going. But every day is making clearer the roads that lie ahead. We can begin to see the choices of goals and routes we can take and the kind of equipment we shall need for the journey.

Transportation is the service of moving materials and goods and people closer together. Isolated and alone, man is about as savage as a bear in a cave and not very much more useful. The service of transportation may be called the prevention and cure of isolation. Modern transportation has killed political isolation as a practical reality though it still does survive in parts of both halves of this continent as a myth, a dangerous will-of-the-wisp. Transportation is the great agent of civilization.

How many Canadians know the facts of our development and achievement and take pride in them? In the Canadian National Railways and in the Canadian Pacific Railway, Canada has the two greatest transportation systems in the world.

The CPR and the CNR have nearly 40,000 miles of track. With their complementary services of telegraphs, express, terminal facilities, steamships, hotels and workshops, they constitute great disciplined organizations which link the Atlantic and Pacific, bring the harvest of the western plains to the seaports, move freight and people across the continent and to the south. Then there are the steamship lines and automobile trucking companies. There are the telegraph and telephone systems which stand comparison with any in the world. Communications and transportation are complementary and integral parts of the fabric of civilization.

Latest of all we have had the airways. These indeed hustle us along to the cross-roads; they put Canada on the map of the world; they tell us what we have to do if we are to win the peace as well as win the war.

One can think of numerous ways in which the transportation companies can make their contribution to the total problem of reconstruction. Before the war a great part of the rolling stock of the Canadian railways was becoming out of date. The railways and all the other industries should be planning now ways and means of improving our capital equipment so as to increase both the wealth of the country and its producing power, and through maximum employment, its consuming power. There is no other way of meeting the problem of getting nearly two million men and women out of munitions and the armed services back to civilian employment.

Are we willing to do the thinking and work that will be necessary? There lies the challenge of our time. As we come up to the cross-road of reconstruction we have got to make up our minds, agree on our purpose, lay out the route, prepare our equipment.

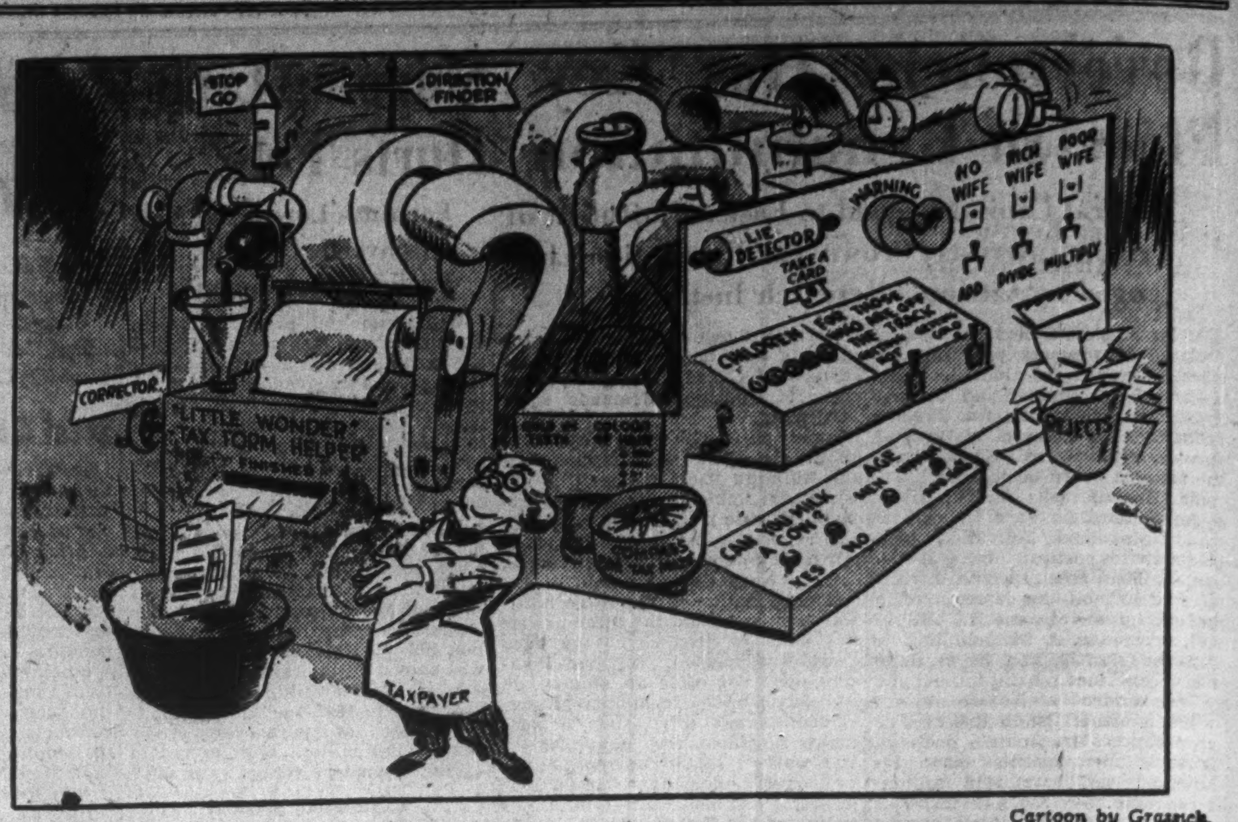
Of all transportation agencies, the airplane has most struck the imagination. In recent months we have had an attack of the new geography. All our magazines are filled with crazy maps which try to point out to us that New York is closer to Chungking by way of Fairbanks than it is by way of San Francisco. From Montreal to Calcutta around the oceans is 10,000 miles. Over Greenland it is 4,000 miles. The danger lies in our continuing old habits of thought long after new facts have been established. The Alaska Highway and the developments all through the North and the fact that flyers are flying by great circle routes every day, show us where the truth lies.

The most dramatic indication that Canada is at the cross-roads of the world is the Alaska Highway.

It is a long finger pointing the way to the new routes to Russia, China, India. Other developments are occurring in the North which may yet be mentioned. The exact significance of the new situations that may be created cannot yet be fully appreciated.

What is happening calls for the greatest concern to see that the advantages of our geographical position and our resources are used first, for the purpose of beating the enemy, then, for the benefit of the Canadian people, and then of mankind, because that too is in Canada's interest.

Canada has as great an interest as any other country in seeing that the world is so organized that we can trade with other nations. We are more dependent than any other nation on foreign trade. Every one of us earns his cake, if not his bread and butter, on trade abroad and that goes for the lawyers and bankers, the bond dealers and the brokers of St. James Street, Montreal, just as much as it goes for the corner store on the main street of Weyburn, Saskatchewan, and the farmer who brings in his wheat from the farm.



Cartoon by Grassick.

Something like this would certainly help many of us make the June 30 income tax deadline.

Post-Scripts . . .

Secret of Youth

Joe Chandler, or to give him his full name, Joseph Edward Chandler, is the new chairman of the Life Insurance Advertisers' Section of the Canadian Life Insurance Officers Association. He is one of those men who never seem to grow old. Not that Chandler is old, either in the physical or mental sense, but when a man who looks to be around 40 years of age, has two grandchildren, operates a 90-acre farm as a sideline, and handles the publicity for one of the largest life insurance companies in the world, the only conclusion one can arrive at is that somewhere along life's route he had a good, healthy swig at the Fountain of Youth.

MR. CHANDLER

His career to date can be divided into three divisions. Before becoming associated with the Sun Life, Chandler had an extensive career in newspaper work. Coming from England at the age of 16, he started as a reporter on the Montreal Herald. From cub reporter, he rose to be city editor. Like many newspapermen he had an itchy foot.

From Montreal he moved to Boston where for two years he was in charge of extra editions on the staff of the Boston American. Then he went to Toronto and later across Canada and back, always connected with newspapers.

At the time he entered the Sun Life, July, 1919, he was on the staff of the Montreal Star. Before entering the insurance business, Chandler had developed a flair for publicity and handled this work for a number of organizations. For a time he was press representative for the old Keith Circuit in Canada.

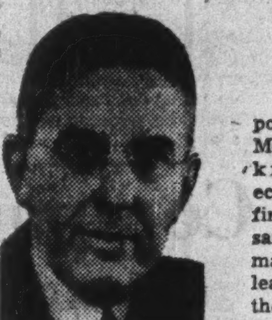
When he went to the Sun Life, the company was just getting into its stride. In the years following, it was to develop into one of the largest organizations of its kind, with connections in all parts of the world. His ability as a publicity man was recognized at the beginning of 1930, when he was appointed supervisor of press bureau at headquarters. In April, 1936, he was named publicity officer of the company and given full charge of advertising and publicity.

Next to the Sun Life, Chandler's greatest interest is his farm, located a short distance from Hudson on the Ottawa River, and an hour's run by train from Montreal. This property he took over about 15 or 20 years ago. For many years, he was mainly interested in fixing up the flower and vegetable gardens, the house, etc. Then in August, 1939, Joe Chandler came to the conclusion the world might not be a very healthy place to live in for the next few years. He decided to take in sail, metaphorically and actually. The handsome, white yacht which he used to sport on the Lake of Two Mountains was sold and the proceeds put into Holsteins. From the sale of milk, Chandler secures enough revenue to carry the farm, the "cream" of his investment coming from the sale of pure-bred stock. With big prices being paid these days for good foundation stock and the price of milk where it is, the "yacht" has paid very handsome dividends.

• • •

Maritimes Accept Him

It is news indeed when the maritime provinces, which for generations have been accustomed to supplying the rest of Canada with educational, industrial and political leaders, choose someone born outside the area to head one of their own cherished institutions. But such is the case in the recent naming of Norman A. Hesler, chairman of the board of regents of Mount Allison University at Sackville, N.B. Mr. Hesler, however, is generally admitted to be a man particularly well qualified by training, experience and temperament to fill this position.



MR. HESLER

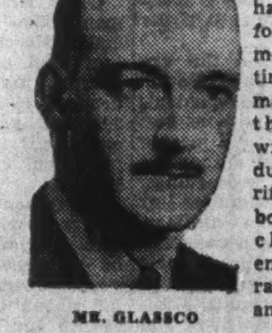
Norman Hesler, president and managing director of Enamel and Heating Products Ltd., of Sackville, was born at Humberstone, Ont. Previous to his entry into maritime business circles, he had an interesting and varied career elsewhere, including service with a utility company at North Bay, an ore concern in Venezuela, and Canada Cement and Consumers Glass at Montreal. For many years he has been one of the maritime's leading businessmen, is a member of the Maritime Transportation Commission and a past chairman of the Maritime Division of the C.M.A. Nicely balancing these activities are his interest in art, sailing and golf. He is a former vice-president of the Maritime Art Association, a member of several leading golf clubs, and also of the Royal St. Lawrence Yacht Club at Montreal.

For some years, Hesler has been a member of the board of regents for the university, and supporters of Mount Allison are hopeful that he will be able to push a policy aimed at bringing the institution more in line with present tendencies in educational work.

• • •

Mosquito Maker

J. (for John) Grant Glassco, just appointed controller of the de Havilland Aircraft of Canada Ltd. by the Department of Munitions and Supply, is one of the young men Canadian business has been watching for big achievement for a long time now. As the man entrusted by the government with getting production of the terrific Mosquito bomber, he has a challenge big enough to suit any range of ambition and capacity.



MR. GLASSCO

At 38, tall, gracious, immaculate Mr. Glassco has a well-established place in the top rung of Canadian executive ability. As an accountant with McDonald, Currie and Co., he started his professional career and in 1931 he joined the Clarkson, Gordon, Dilworth and Nash firm, being admitted to partnership in 1935.

For a time, he supervised the Dupont interests in Canada and in recent years has been closely associated with de Havilland which he now manages. He is also a director of J. D. Woods and Gordon, Ltd., the industrial engineering firm.

Corporation taxes are a field in which Mr. Glassco is recognized as an outstanding Canadian authority. He admits to having some very vigorous views as to their reform, but he isn't taking time out on that subject at the present time.

He owns a farm not far from Toronto, takes it very seriously and claims that he makes it pay. He doesn't like it much when his associates cynically assure him the main reason his farm "pays" is because it contains a lucrative gravel pit.

The size of his family, especially in wartime, gives the farm special usefulness. The Glassco's have four of their own children and are looking after three British children, refugees from the blitz, two girls. The third, a boy, came accompanied by a governess.

Mr. Glassco was born in Los Angeles but his Winnipeg parents promptly brought him back to this country. He was educated at Ridley College and McGill University. His wife is the daughter of the late Sir William Price of Quebec.

In the days of peace when there was time for such things, Mr. Glassco's hunting interests frequently took him out near the Manitoba-Saskatchewan boundary for prairie chicken season. In those times, too, he called himself an ardent fisherman.

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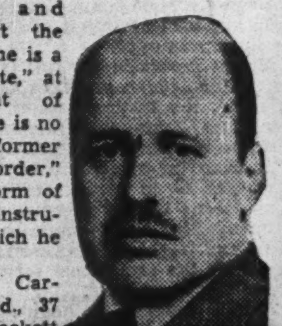
Varied Background

W. T. G. "Bill" Hackett, recently appointed economic adviser to the Bank of Montreal, brings to his new job a sound knowledge of economics and finance. At the same time he is a man of "note," at least eight of them, for he is no mean performer on the "recorder," an early form of musical instrument to which he is addicted.



MR. HACKETT

Born in Carbonear, Nfld., 37 years ago, Hackett is the rugged type of individual expected of anyone coming from the Ancient Colony, where fish and cod liver oil go hand in hand. However, he did not stay there long. Like most sons of the parsonage, he found himself continually on the move.

His primary and secondary education went on in a series of "grasshopper jumps" including, in Ontario, Fort Erie, Port Colborne and Welland, ending up at Guelph Collegiate Institute. From there he entered the University of Toronto on the Colonel John MacRae Memorial Scholarship. In due course he graduated with honors in political science.

At that time, 1927, the easiest way to fortune was by way of the investment business. Accordingly, Hackett entered the firm of Fry, Mills, Spence and Co. (later changed to Mills, Spence and Co.) He served as secretary of the Ontario Executive Committee in the First Victory Loan and in the fall of 1941 went to Ottawa as secretary of the Wartime Industries Control Board.

During his stay in Toronto Hackett for a time was vice-chairman of the Toronto branch of the Institute of International Affairs and also prepared a number of reports for that organization. He also served on the editorial board of the Canadian Political Science Association, as well as on a number of committees of the Investment Dealers Association of Canada. All of which should stand him in good stead in his new work.

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Stop Me If . . .

One of John's best friends had died, so he called on the widow to express his sympathy.

"Jim and I were friends," he said. "Isn't there something I could have as a memento of him?"

She raised her velvety brown eyes which a few seconds before had been wet with tears.

"How would I do?" she murmured.

Other People's Views . . . .

The Canadian Editorial of the Week

We Must Work for It

Farmer's Advocate

To establish Freedom From Want in this complex world it will first be necessary to create a desire for it and a willingness to work for it.

Freedom From Want does not mean that all our desires will be satisfied. Such benevolence would be disastrous to any people. "Divine Discontent," which makes mankind strive and reach for better things, would then be smothered in the human breast. It means that when people do reach up the amenities of life will be there for them. It means that when people do reach up they will not get their knuckles rapped. There will be opportunity and a fair reward. There will be plenty if we but do our part to win it. Regardless of what is said or written, Freedom From Want has no more cheering meaning than that.

We cannot have the good things of life unless we work to produce them. The more we produce the more we will be able to enjoy. Money is only a token by which to measure production and real wealth. Freedom From Want implies that the needed goods and services will be there for us if we will strive to obtain them and in this striving we shall produce other goods and services for the use of our brother men.

As Others See Us . .

Industry Must Be Freed

Montreal Gazette

If free industry fails to work out its own salvation, and that of the country, the alternative will be state control. As The Financial Post puts it, if business fails to do the job, "public opinion will demand that somebody else does it — which means government 'enterprise,' which means that Canada shall have started down the toboggan slide toward totalitarianism."

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Good Value

Saskatoon Star-Phoenix

Some time ago, certain Canadian newspapers and public men became very excited about the cost of Canada's Wartime Information Board. The range of salaries paid was believed to be too high, particularly in the New York office of the board. The whole basis of wartime information was also challenged, some believing that such an office was unnecessary.

The Financial Post began to look into the question. It sent a staff writer to New York to see just what the New York office was doing and to find out for itself what truth there was in the Canadian criticisms. The results are published in a recent issue of The Post. It concludes that "Canada is getting good returns for the dollars this (New York) office costs and that the dividends will continue to increase."

There is no statistical measure to determine the actual success of the Wartime Information Board, The Financial Post says, but it finds plenty of evidence that the board's work is resulting in a great deal more intelligent publicity concerning Canadian affairs.

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Better Than Ever

Hamilton Review

Victory Loan campaigns are undoubtedly the fairest measure by which the war effort of Canadians can be judged. It is the one phase of the national effort which includes all citizens. With this in mind it must be agreed that the Fourth Victory Loan was an outstanding achievement.

The Financial Post describes the success of the campaign "as magnificent and unparalleled in the history of North American finance." That is a broad statement but it is one based on the fact that so many individuals subscribed.

In this campaign emphasis had been placed upon the need for spreading the loan among the greatest possible number of citizens. The success of it could not have been measured in a total which met or exceeded the objective of $1,100,000,000 if that sum had come almost entirely from financial institutions and corporations. Financing of the war on a basis which provides the money necessary and at the same time checks inflationary tendencies is of vital importance. This can only be done when the earnings of the individual are being diverted from non-essential spending channels into savings.

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Manpower Muddle

Kitchener Record

The shafts of newspaper criticism aimed at the King Government have mostly been concentrated on its manpower policy which has drained some of our most essential industries of the help required to meet the special demands arising from wartime conditions. This applies particularly to the agricultural industry and coal mining. The muddle with respect to manpower is in the main attributable to Ottawa's method of securing recruits for overseas service by what has aptly been termed "back-door conscription." From every few that are drafted for home defense, the government hopes to get at least one to join up for active service.

"Despite the drastically urgent need for expanded food production," says The Financial Post, "there is a continued sapping of farm manpower through the army draft." The Post says it knows of one farmer who disregarded his draft call and was later taken right off his tractor by the RCMP. His farm is now left in the hands of his young wife and a 15-month-old child.

Sayings of the Week

"The end (of the war) will come with great suddenness and with irresistible impulse."—*Prime Minister J. C. Smuts.*

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"It will take time to create a population picture in keeping with Canada's real potentialities for growth."—*Prof. C. A. Dawson, McGill University.*

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"Almost everything today coming within the activities of this board (WPTB) is a wartime invasion of the field of civil rights."—*Senator J. W. de B. Farris.*

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"You'll be asking next to watch me take my bath."—*Franklin D. Roosevelt, commenting on insistence of press, in seeking admission to international food conference.*

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"As long as private industry continues to show the initiative and enterprise which have characterized the past three years, I don't think it needs to worry about its future."—*Graham F. Towers, Governor of the Bank of Canada.*

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"If we go at this job as though we expect the war to last five years, we may be able to wind it up in one year; if we tackle it with the thought that it will be over in one year it's certain to last five." — *Marvin E. Coyle, president, Chevrolet Motor Co.*

The Financial Post

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Dominion Coal Needs Labor

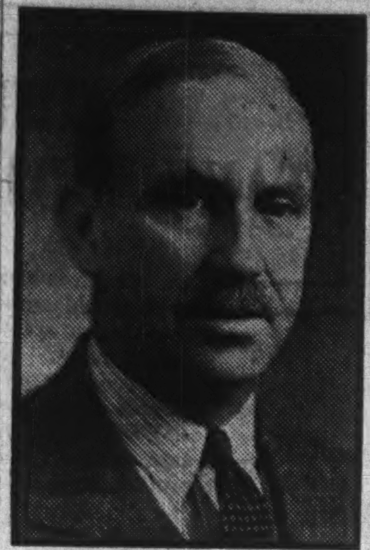
Hopeful Federal Policy Will Get Results—Accidents Affect Production

From Our Own Correspondent

MONTREAL.—Production of coal in 1942 was disappointing due to lack of manpower, but Arthur Cross, president of Dominion Coal Co., told shareholders at the annual meeting that he was hopeful steps now being taken by the Federal Government will effect an improvement in the labor supply and production of coal.

Accidents occurred at two of the company's mines, No. 12 and No. 25 collieries, within the last few weeks. Mr. Cross reported that No. 12 colliery was the latest mine to be opened and is still in the development stage. Damage will be repaired shortly and development work continued.

The accident at No. 25 colliery, which is one of the company's largest producers, was more serious, but is now under control. Production, however, will be reduced for some time. With the return of miners to other collieries, Mr. Cross added, it is hoped that this loss of production will be overtaken.



VICE-PRESIDENT.

Lt.-Col. G. G. Blackstock, who has been elected executive vice-president of Steep Rock Iron Mines Ltd.

Questioned by a shareholder as to the prospects of a resumpton of dividends on the preferred stock, Mr. Cross told the meeting that he was hopeful, but would not like to make a definite statement at this time, as it is a matter for the directors to decide.

The Week in Business

Channelling of a growing part of Canada's total productive efforts into war activities is reflected in the various indices which make up The Financial Post's production index.

Increased production of flour reflects high domestic and export needs for this product; enlarged Dominion war expenditures show that our war effort is still a live, growing thing.

Dominion war expenditures showed marked May rise to $272.2 millions after a dip in April. Over a period of months, the trend should continue upward.

Newsprint production not only showed an increase in May but is now over the level of a year ago at 68.6% of mill capacity. Shipments were also higher than the preceding month but less than a year ago.

	May	Apr.	Mar.	Feb.	Year Ago
Financial Post Production Index	....	257.3	252.4	252.0	208.1
▪National income D.B.S. (c)	....	‡73.6	‡725	‡700	....
▪Dom. war expend. (million $) ...	272.2	136.9	....	199.6	207.6
▪Dom. total revenue (do.)	205.1	177.8	....	169.4	334.0
▪Dom. total expend. (do.)	325.0	169.5	....	228.1	389.5
Dept. store sales index no.	....	153.1	164.2	154.5	148.8
▪Retail sales index no.	....	163.1	167.7	168.6	155.5
▪Wholesale sales index no.	....	163.0	173.6	146.2	154.5
Country store (% change pr. yr.)	....	+14.5	+13.0	+16.4	+14.0
Divd. payment index	122.7	122.0	122.1	122.3	120.9
Bank deposits (1935-39=100) ...	....	163.8	151.7	150.0	140.0
Cash and cheque pay. index ...	....	162.3	161.9	149.2	144.8
Bank debits (1935-39=100)	....	156.6	158.7	152.1	143.6
Money supply (c)	....	4,536	4,244	4,182	3,835
NEWSPRINT % OF CAPACITY—					
▪Production ratio	68.6	62.0	64.2	64.9	68.0
▪Shipment ratio	69.6	65.9	64.6	65.1	72.0
RAILWAY FREIGHT LOADINGS—					
Tons (D.B.S. index)	....	201.6	194.1	183.2	189.3
Cars (D.B.S. index)	....	144.1	143.7	139.7	140.3
COST OF LIVING—					
D.B.S. index	118.1	117.6	117.2	116.9	116.1
EMPLOYMENT INDEX No. D.B.S.—					
▪All industries	....	180.5	181.5	181.2	165.2
▪Manufacturing	....	224.1	223.4	222.1	199.4
▪Payrolls (June 1/41=100) (b) ...	....	144.1	143.2	139.5	121.4
Payroll index (a) (1937=100) ..	....	....	228	214	191
RAILWAYS—	1943	1942	1943 Jan 1 to date	1942 Jan 1 to date	Change %
▪Carloadings (week June 5)	66,355	67,539	1,426,865	1,440,354	—0.9
▪C.P.R. gross (week June 7) $	5,338,000	4,697,000	116,871,000	104,485,000	+11.8
C.N.R. gross rev. ... (Apr.) $	38,444,000	28,316,000	134,551,000	107,939,000	+24.6
C.N.R. net rev. .... (Apr.) $	9,334,000	7,078,000	26,814,000	22,303,000	+20.2
C.P.R. gross rev. ... (Apr.) $	24,045,596	20,621,507	87,328,253	78,266,351	+11.5
C.P.R. net rev. ..... (Apr.) $	3,790,870	3,556,147	12,468,312	13,540,158	—7.9
IRON AND STEEL—(April)—					
Pig iron production (tons)	150,486	160,408	565,154	634,653	—10.9
Steel production ... (tons)	264,357	264,988	987,915	1,032,828	—4.3
CONSTRUCTION—					
Contracts awarded (May) $	23,486,900	23,895,400	81,648,100	88,191,000	—7.4
Building permits ... (Apr.)	7,342,378	11,299,775	18,332,275	29,110,718	—37.0
▪Cement prod., bbls. (Mar.)	437,333	399,952	1,009,234	982,708	+2.7
AGRICULTURE—					
Flour prod., bbls. .. (Apr.)	2,057,355	1,960,900	8,204,158	6,908,582	+18.7
Cattle sales .... (May)	87,876	72,939	402,130	432,270	—6.9
Hog sales .... (May)	531,813	496,135	2,155,323	2,722,179	—20.8
SEA FISHERIES—‡					
Catch cwts. ...... (Apr.)	297,008	313,507	1,415,238	2,377,574	—40.4
Landed value .... (Apr.)	1,642,790	1,302,052	4,311,922	3,893,978	+10.7
NEWSPRINT—					
▪Production, tons ...(May)	254,046	251,831	1,185,825	1,415,512	—16.2
▪Exports, tons ...... (May)	241,509	249,242	1,108,159	1,283,676	—13.7
MINING AND OILS—					
▪Coal prod., tons ... (Apr.)	1,380,983	1,523,885	6,206,492	6,765,395	—8.2
▪Gold rec., (fine oz.) . (Apr.)	348,908	413,161	1,312,045	1,577,783	—16.8
Petroleum prod., brl. (Feb.)	779,998	846,026	1,640,788	1,721,685	—4.7
ELECTRIC POWER OUTPUT—(April)—					
Total monthly 1,000 kw.h.'s	3,268,197	3,082,740	12,766,544	12,394,420	+3.0
OTHER INDUSTRIAL FACTORS—					
Shoes, prod., pr. .. (Apr.)	2,929,759	2,774,128	11,552,999	10,785,695	+7.1
Cotton consump., lb. (Apr.)	15,899,807	17,863,817	64,587,318	67,591,899	—4.4
Cigarette cons., No.† (Apr.)	986,666,102	767,456	3,858,883	3,076,734	+25.4
FINANCE—					
Bank debits† .... (Apr. 3) $	4,070,713	3,733,219	15,694,067	14,033,701	+11.8
▪Bond sales† .... (May) $	111,195	92,341	1,689,523	1,723,015	—1.9
Life insurance sales (Apr.) $	51,104,000	36,232,000	178,674,000	154,546,000	+15.6

‡Unrevised figures covering N.S., P.E.I., N.B., Que., B.C. Total at yards and plants. †000 omitted. Millions of dollars. Supplied by Nesbitt, Thomson & Co. *1935-39=100. (c) 000,000's omitted. (a) Compiled by Canadian Bank of Commerce. (b) All industries. ‡Estimated.

Howe Gives Highlights of Canada's Production

Here are highlights of a review of Canada's industrial war effort given the House of Commons by Hon. C. D. Howe, Minister of Munitions and Supply.

Munitions and supply expenditures in the current year will run to $3.4 billions. Value of deliveries to date exceeds $4.5 billions.

Around 900,000 Canadians are now employed in war industry.

Some production targets have been reached. This will mean a shift in emphasis, rather than a slackening of overall effort. A reduction in output of ground army supplies will be offset by increased output of naval vessels, guns and equipment, and combat aircraft and radar equipment. Wherever possible, cuts in production will be gradual.

Some gun schedules are being revised downward. Items likely to be most affected are the 3.7 and Bofors anti-aircraft guns and the six-pounder antitank gun. Scheduled production of 3.7 and 40 mm. Bofors AA guns will carry on at a reduced scale until the end of 1944. Plant making the six-pounder carriage is being converted to manufacture 20 mm. Universal mountings for the Army and single 20 mm. mountings for the Navy.

Maximum output of Bren guns, 8,000 monthly, will be reached this month and maintained until the end of 1944. Production of Canadian version Lee-Enfield rifle, now in excess of 34,000 a month, will be increased to more than 40,000. Production of the Sten carbine, now at peak, will be slightly reduced from 10,000 monthly maximum.

Present orders for Vickers, .5-inch naval machine guns, training rifles and two-inch trench mortars will carry into 1944. Production of the Boys antitank gun will be discontinued during the summer, as will production of Browning aircraft and tank type machine guns. This last production will be partly replaced by the Browning pistol and a 20 mm. machine gun.

There will be a larger output from 168 firms engaged in making components of anti-submarine detection devices; output of other naval instruments also to increase.

Production of Canadian-made military vehicles to continue at present peak.

Valentine tank program is now completed. Total production—1,400—has gone to Russia. Valentine tank plant has been converted to production of engines and components for escort vessels. Contract for Ram tanks is nearing end, with 1,700 produced. Canada's Ram tank arsenal is now producing self-propelling gun mounts and will shortly go into production on the M-4 tank, now standard for the United States, British and Canadian armies.

Low production point arising from a change in types of aircraft manufactured in Canada has been passed, and output will now increase rapidly. Canada is making new trainer types and is "just achieving production" of combat planes such as the Lancaster and Mosquito. Canada's aircraft industry now employs more than 100,000 men and women.

Increased activity in aircraft industry and shipbuilding will absorb "all workers not required by the armed services."

Last month Canadian yards launched 19 cargo vessels. A total of 168 had been launched by the end of May, with 141 of them delivered. Of these all but four were 10,000-ton vessels. The others were 4,700-tonners. Freighters delivered, under construction or on order number more than 300.

Twelve yards engaged in the cargo ship program have 43,000 workers. An improved design of cargo ship will be built next year. This is adaptable to either coal or fuel oil.

Record of Production

	Weekly Production Rate	Delivered to Date
Ships (escort, cargo, patrol) ..	6 or more	500
Aircraft	80	8,000
Heavy guns, barrels, mountings	940	55,500
Motor vehicles	4,000	475,000
Fighting vehicles	450	21,300
Small arms	13,000	630,000
Heavy ammunition	525,000 rounds	38,000,000 rounds
Light ammunition	25,000,000 rounds	Not stated
Chemicals and explosives ...	10,000 tons	800,000 tons
Tanks	Not stated	1,400 Valentines 1,700 Rams
Instruments and Communications equipment	$4.3 millions	$160 millions worth

Threat of Frozen Egg Shortage Seen Looming by Baking Trade

A shortage of frozen eggs, used by the baking trade, is being predicted by wholesale produce men for the later months of the year.

Supplies of fresh eggs just now are at the peak, or a little past it. But current demand and wartime restrictions on the volume of fresh eggs being broken and frozen points to a wide gap between requirements and supplies of frozen stock later on. As no eggs in the shell are being stored industrial, users will be dependent on frozen eggs and such fresh eggs as may come forward.

Volume Curtailed

Normally the packers break and freeze a substantial volume of eggs for the baking trade, the quantity being based on their estimated requirements.

This year the quality is limited by several factors, such as the demand from the Dominion Government to fill its contract for 63 million eggs to the United Kingdom, the increased domestic demand due to meat rationing and wartime restrictions.

These restrictions:—

1 Prohibit breaking any grade A eggs for freezing.

2 Limit packers and dealers to breaking only a set quota based on the previous year's operations.

3 Place a price ceiling on frozen eggs, at a level which does not encourage dealers to break eggs for freezing.

It is estimated that the quantity of eggs actually being frozen this year is close to the level of a year ago. But, last year, the trade entered the new season with a backlog from the previous season. This year this reserve has all been used so the total volume available will be smaller.

Meanwhile industrial, like consumer, demand, has been increasing. One reason is that under sugar and butter rationing, many housewives are buying more cakes and pastry than ever before. In addition, increased income has resulted in a general increase in consumption of bakers' and confectioners' products.

In pre-war years, Canada used to import some frozen and dried eggs from China and elsewhere, and frozen albumen from the United States. Supplies from both sources have been cut off.

Canadian Pacific Railway is being ordered by the National War Labor Board to grant holidays with pay to all shop employees. About 60% of this group are already in receipt of holidays. So far the railway has not been officially notified, so that there is no way of telling the number of workers affected or the amount of pay involved.

Ogoki Project Goes Ahead

Dominion Order-in-Council Gives Final Ratification to Big Project

Formal approval has been given by the Federal Government to the Ogoki and Long Lac diversion projects, it was announced last week by Dr. T. H. Hogg, chairman of the Hydro-Electric Power Commission of Ontario.

The approval, given by Orders-in-Council, ended a long period of negotiation between the province and the Dominion. Though the Long Lac diversion has been completed and in use for some time, the larger Ogoki diversion will not be in full use until next year. A small flow of water, sufficient to set the channel, is expected in about a month or two.

Will Increase Power Potential

The flow from these two diversions, emptying into the Great Lakes system, will increase the power potential at Niagara Falls and the flow into the St. Lawrence River. The natural flow of the Jackson River, which flows into the upper end of Lake Nipigon is already entering the new Ogoki diversion channel. Engineers will soon release about 1,000 cu. ft. of water per second from the Ogoki River watershed, by-passing it from its natural course through the Albany River to Hudson's Bay.

The cost of the Ogoki project, which will provide a flow of 10,000 cu. ft. of water per second, will be about $5.3 millions or $200,000 less than estimated.

C.N.R. Opposes Quebec Airway

From Our Own Correspondent

MONTREAL. — Application of Quebec Airways Ltd., subsidiary of Canadian Pacific Air Lines, for a license to extend its service to the Saguenay, was opposed by the Canadian National Railways before the Board of Transport Commissioners. Decision has been deferred.

Quebec Airways wanted a license to operate a regular passenger, mail and express goods airline to Bagotville. The application was supported by the Aluminum Co. of Canada, Foundation Co. of Canada and the J. L. E. Price Co., which claimed present train service was inadequate in view of the emergencies frequently arising in connection with important war work in the Saguenay-Abitibi region.

While admitting the proposed airline might be convenient to certain travellers, the Canadian National Railways opposed granting the license on the ground there was no necessity for it at present. Moreover, the railway contended the Board should not make an order which would result in the airline taking the "cream" of the freight traffic, leaving to the railway only bulk goods which it was compelled to carry at low cost.

Pulp Reserves Drop in April

From Our Own Correspondent

MONTREAL. — Consumption of woodpulp by the paper making industry in the United States continued at relatively high levels during April, causing a further decline in pulp inventories. With the exception of news-grade unbleached sulphite and ground wood, the typical non-integrated consuming mill now has an inventory of only about 30 days' pulp.

The situation, says the War Production Board, calls for the greatest economy in the use of wood pulp and the maximum possible substitution of less critical fibres in papermaking, because production of paper and paperboard cannot be maintained at the present rate if raw materials are lacking.

The 20% reserve of the estimated June wood pulp production, which was withheld from scheduling by producers under WPB order was, in the case of the integrated mills, allocated back to the withholding mills in each grade of pulp, with the exception of unbleached kraft and in a few minor instances where special requirements developed

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MONTREAL CANADA

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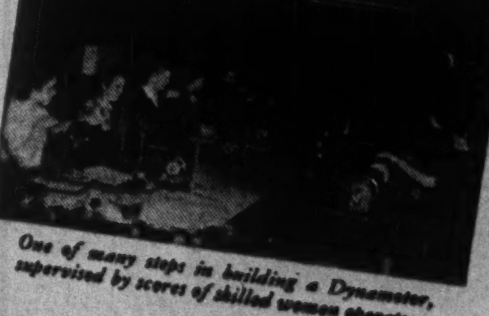

One of many steps in building a Dynamotor, supervised by scores of skilled women operators.

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THE EUREKA-SECURITY FIRE AND MARINE INSURANCE COMPANY

INCORPORATED 1864—SAME YEAR AS PEARL . POLICIES GUARANTEED BY THE PEARL

Health Insurance Delay Seen in Doctor Shortage

Life Officers' Association Claim it Would Not Be Practicable to Put Scheme Into Effect During War; Urges Ottawa to Make Haste Slowly

Due to the shortage of doctors, nurses, dentists and hospital accommodation, no attempt should be made to put health insurance into effect until after the war, in the opinion of the Canadian Life Insurance Officers' Association.

While sympathetic in tone, and stressing the support given social security schemes by the life insurance companies, a brief presented by the association last week to the Social Security Committee of the House of Commons took the stand that in implementing any national health insurance project it would be advisable to make haste slowly.

On several points, the submission took issue with the proposals of the government. It held that the plan should be financed as far as possible by individual contributions, supplemented where necessary by the Dominion Government rather than the provinces. Ottawa's proposal also favors individual contributions but puts the greater burden on the provinces. While urging that the Dominion assume financial responsibility, the brief supports the idea of provincial administrative control.

It recommends that the rate of contribution by the individual should be arrived at on a cost basis after getting information and advice from the best possible sources.

Part of a Whole

Another recommendation is that the plan should be fitted in with the whole government postwar program, after consultation with the economic and financial advisers of the government.

The brief states that health insurance and preventive medicine measures should be co-ordinated but not consolidated. Accordingly, while difficulty is seen in putting health insurance into effect it should be possible to set up preventive measures without delay.

Need of making the Dominion responsible for the financial burden, it is claimed, arises from the fact that some provinces might not be able to pay the amount required.

Get Best Advice

Suggestion that the best advice in regard to the setting of the rate should be obtained springs from lack of information as to how the advisory committee of the government arrived at its tentative rate of $26 per capita per annum. It is believed the eventual cost might require a much larger per capita contribution than this, as many people, realizing that health facilities were provided, might ask for greater medical attention than before.

Consultation with the economic and financial advisers of the country is also seen as highly essential because the plan has to fit in as part of the whole social security plan. No other country has yet established a comprehensive health insurance fund and plan, the brief says, but the association believes Canada can do this witn the co-operation of all interested professions.

War Risk Rates To U. K. Lowered

From Our Own Correspondent

MONTREAL.—War risk insurance rates on ocean cargoes to the United Kingdom have been reduced for the first time since April 13, 1942, according to Canadian War Risk Committee, representing private companies here. The cut is general and amounts to 25%, or from a rate of $10 per $100 of cargo value to $7.50.

Reduction is a direct result of the improved situation in the battle against the Nazi submarine, being similar to downward revisions made at London and at New York.

Insurance Notes

H. W. Lambert inspector for Ontario of the Wawanesa Mutual Insurance Co. has been transferred to Edmonton as branch manager. Mr. Lambert has been connected with the insurance business for 25 years and with Wawanesa since 1935 when he was special representative and inspector in the Prairie Provinces. In 1936 he went to the Maritimes as inspector. Since 1937 he has had similar duties in southwestern Ontario.

* * *

Including the $22 millions subscribed to Canada's Fourth Victory Loan, policyholders of the **Sun Life,** through their company, now have $355 millions invested in bonds of the United Nations. It recently purchased $20 millions of the second war loan of the United States. These subscriptions are in keeping with a policy of investing all available funds in the war loans of the particular country from which those funds arise.

* * *

J. W. Binnie, associate manager at Montreal of the Union Insurance Society of Canton, will retire June 30. Mr. Binnie, who entered the insurance business in 1894, was formerly manager for Canada of the Globe & Rutgers Insurance Co. He is a past president of the Canadian Fire Underwriters' Association, a former vice-president of the Canadian Automobile Underwriters' Association, and honorary president of both the Montreal Insurance Institute and the Canadian Insurance Accountants' Association.

* * *

The Northern Life Assurance Co. of Canada is currently running a sales contest called the Directors' Honor Contest, for its Canadian and American field force, in honor of the company directorate. The directors are taking an active part, as each has been chosen to head an agency as sales manager for the duration of the contest.

Ilsley To Speak At C.U.A. Meeting

The Canadian Underwriters' Association will hold its annual meeting at the Seigniory Club, Quebec, June 21 to 23. At the same time it will celebrate its 60th anniversary. A feature of the meeting will be the presence of Hon. J. L. Ilsley, Minister of Finance, who will speak at the association dinner, June 21. Alex Hurry, president, has been nominated for re-election.

Says CIUA Gains Agency Support

At the annual meeting of the Canadian Inland Underwriters' Association in Toronto, last week, it was reported that five companies had withdrawn from the association, while two new companies were admitted to membership. The new members were the Essex & Suffolk Equitable, and the Citizens of New Jersey. Companies which withdrew were the Guardian of London; Guardian of Canada; Yorkshire; London & Provincial Marine & General; and New York Underwriters.

Wilson E. McLean, secretary-treasurer and manager, reported an improvement in the position of the association as regards agency support during the year.

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Agents representing the undernoted Companies have at their disposal the broad experience of the *Great American Group*—Board Companies all—whose writings encompass practically all forms of insurance, except life.

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The Society issues Ordinary Life, Twenty Payment Life, Twenty Year Endowment Certificates and a Modified Endowment maturing at age sixty-five. All Certificates provide cash, loan and paid-up values and generous benefits in case of total and permanent disability.

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VICTOR MORIN, LL.D., Supreme Chief Ranger

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Investment Dealers Meeting Draws Record Registration

Preliminary indications are that the 27th annual meeting of the Investment Dealers Association of Canada, to be held at the Seigniory Club, June 25-26, will draw one of the largest attendances in the association's history. Advance registration has been large and it appears accommodation facilities will be heavily taxed.

President H. E. Cochran will preside at the two-day "convention." Friday morning June 25, an executive meeting will be held, and the afternoon will be featured by an open forum on investment matters generally.

Dr. W. C. Clark, Deputy Minister of Finance, will be the guest speaker at the annual dinner Friday night and the association's annual meeting and election of officers will take place Saturday morning.

The association has played an important part in organizing investment dealers for the various victory loans, and plans for further loans are expected to be reviewed during the course of the meetings.

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Insurance Company Report

Employers' Liability

Despite the handicaps of war, total premiums of the Employers' Liability Assurance Corp., London, Eng., in 1942 were about $460,000 higher at $34 millions. Total assets also increased almost $3.2 millions to $65.9 millions.

The chairman, Sir Courtauld Thomson in his report states that total British, Dominion and foreign taxes paid and provided for during the year was $3.6 millions. In spite of this, investments increased during the year by over $5 millions, almost entirely in government securities of the overseas Dominions and the United States. Investment reserve is shown at $2 millions, general reserve $12.5 millions and capital paid up $1.9 millions, reserve for outstanding claims $24.3 millions. Investments in securities with a book value of $44.9 millions on Dec. 31, 1942 had a market value exceeding that amount by $7.5 millions. Calculations are on the basis of £1 equals $5.

Results for the year in Canada, Australia, South Africa and the United States were reported as favorable. Premium income in Canada for 1942 for the Employers Liability and its associate, Merchant Marine Insurance Co., were slightly lower than in 1941 as shown in the following table. The loss experience at 37.54% was lower than the average loss experience for all Dominion licensed companies which was 42.47%.

1942 Canadian Premium Income

	1942	1941
Fire	$615,396	$737,494
Automobile	542,386	600,710
Accident (personal)	211,645	223,581
Accident (public liab.)	220,953	206,760
Accident (empl. liab.)	277,300	195,033
Boiler	25,672	58,816
Earthquake	32	361
Explosion (riot)	8,419	1,429
Guarantee (Fidelity)	82,578	79,185
Guarantee (Surety)	38,648	31,690
Inland transportation	84	5
Personal property	56,025	56,415
Plate glass	16,666	19,097
Sickness	81,460	85,260
Theft	67,693	60,367
Windstorm	330	134
	2,245,287	2,356,387

Ontario Accountants To Meet June 25

Membership of the Institute of Chartered Accountants of Ontario now stands at more than 1,000, F. C. Hurst, president, announced this week in his annual report to the council of the Institute. During the past year membership increased by 57. There are 150 members and 300 students serving with the armed forces and in addition 200 members are working in a professional capacity with the government or in war industry.

The annual meeting of the Institute will be held in Toronto, June 25. During the year activities included the formation of a special committee to study postwar problems of student accountants, and arrangements were made to supply students who are prisoners of war with materials and books to continue their studies.

Huron & Erie Changes Debenture Maturities

Terms and interest rates for Huron & Erie Mortgage Corp. debentures and Canada Trust Co. guaranteed trust certificates to apply as of June 14 are:

For one and two years, 3%; for three and four years, 3¼%; for five to ten years, 3½%.

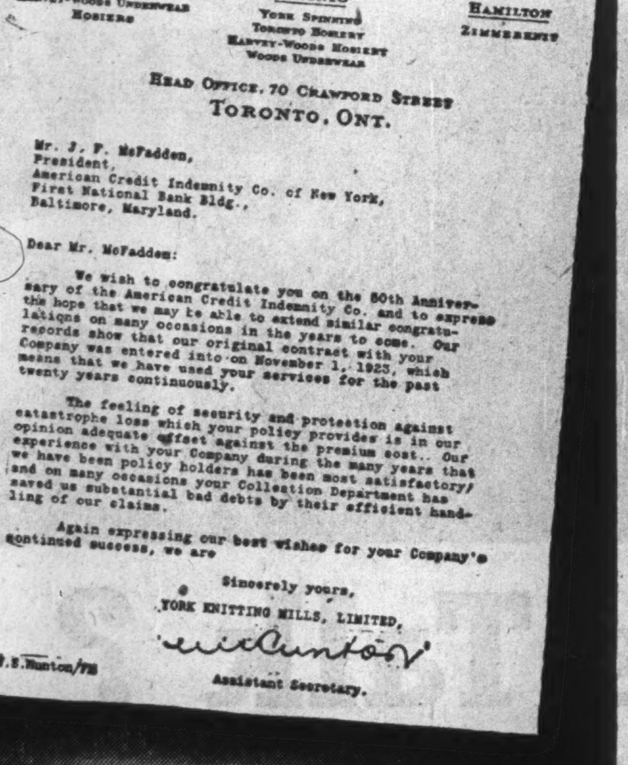
The change applies not to interest rates but to the terms for which the rates apply.

Dominion Textile Co. Adds Milligan to Board

S. J. Milligan has been appointed a director of Dominion Textile Co. to fill the vacancy caused by the death of J. G. Dodd, who was sales manager for 34 years. It was also announced that Mr. Milligan, who has been assistant general sales manager for the last five years, now becomes general sales manager.

Bell Telephone Co. of Canada has issued an additional 562 shares of stock in connection with its employee stock purchase plan, bringing the number outstanding to 846,961 shares.

50 YEARS OF PROTECTION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President,
American Credit Indemnity Co. of New York,
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Baltimore, Maryland.

Dear Mr. McFadden:

We wish to congratulate you on the 50th Anniversary of the American Credit Indemnity Co. and to express the hope that we may be able to extend similar congratulations on many occasions in the years to come. Our records show that our original contract with your Company was entered into on November 1, 1923, which means that we have used your services for the past twenty years continuously.

The feeling of security and protection against catastrophe loss which your policy provides is in our opinion adequate offset against the premium cost. Our experience with your Company during the many years that we have been policy holders has been most satisfactory, and on many occasions your Collection Department has saved us substantial bad debts by their efficient handling of our claims.

Again expressing our best wishes for your Company's continued success, we are

Sincerely yours,
YORK KNITTING MILLS, LIMITED,
W. E. Hunton
Assistant Secretary.

W.E.Hunton/FB

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J. F. McFadden, President

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More Sterling Held By Bank

Total Bank of Canada Assets Show Slight Decline

Sterling exchange held by the Bank of Canada shows an increase of about $5.5 millions in the statement for the week ended June 9. This, it is understood, represents routine accumulations of sterling which will probably be taken over shortly by the Foreign Exchange Control Board. Other assets generally were lower, the total being down about $500,000.

On the liability side, note circulation was slightly higher and total deposits were up. Miscellaneous assets, including cheques not cleared, were lower.

	June 9 1943 $	June 2 1943 $
Liabilities		
Capital paid-up	5,000,000	5,000,000
Notes in circ.	749,843,375	749,858,704
Rest fund	6,472,953	6,472,953
Deposits: Dom.	66,846,859	54,007,868
Banks	302,618,421	302,261,290
Other	16,410,508	25,362,909
Total deposits	385,875,788	381,632,067
All other	13,238,630	18,000,175
Total liabs.	1,160,430,746	1,160,963,899
Assets		
In Sterling & U.S.	26,083,578	20,584,023
Subsid. coin	128,762	137,757
Investments:		
Dom. gov. sh.	812,453,008	818,670,157
Other Dom. gov.	303,747,648	302,898,974
Total invest.	1,116,200,656	1,121,569,131
Premises	2,109,362	2,097,318
All other assets	15,908,388	16,575,670
Total assets	1,160,430,746	1,160,963,899

Propose Extend Hours Change

Transit Leaders Say Step Necessary if Traffic to Be Handled

From Our Own Correspondent

MONTREAL.—Further staggering of work hours and curtailment of needless use of urban transit services during rush hours, to be effected by a campaign by the Department of Munitions and Supply, was proposed at the annual meeting of the Canadian Transit Association.

Transit companies across Canada are finding increasing difficulty in carrying passengers, especially during rush hours. The only solution, in view of the limited amount of equipment, the association believes, is increased staggering of hours and avoidance of rush hour travel.

Officers Are Elected

At the close of the annual meeting Arthur Duperron, assistant general manager of Montreal Tramways Co., was re-elected president of the association. Also re-elected for another term were D. N. Gill, general manager of Ottawa Electric Railway, as vice-president, and G. E. Waller, manager, Hamilton Street Railway Co., as treasurer.

Members of the executive committee are:

E. W. ARNOTT, B. C. Electric Co., Vancouver;
D. E. BLAIR, Montreal Tramways Co., Montreal;
I. S. FAIRTY, K.C., Toronto Transportation Commission, Toronto;
E. GRAY-DONALD, Quebec Power Co., Quebec City;
W. S. HART, Provincial Transport Co., Montreal;
J. B. HAYES, Nova Scotia Light & Power Co., Halifax;
L. TAIT, London Street Railway Co., London;
E. B. WALKER, Canadian National Railways;
R. N. WATT, Montreal Tramways Co., Montreal.

Brazilian Portland Operations Holding Up

Operations of Brazilian Portland Cement Co., subsidiary of Canadian Foreign Investment Corp., are currently holding up well, W. A. Black, Jr., president, stated at the annual meeting of the parent company. The problem is entirely one of shipping, he said, with imports of oil an essential to efficient operations. However, he added, oil has been arriving more plentifully during the past half year.

Maximum Prices Set On N. B. Pulpwood

Maximum pulpwood prices have been set for New Brunswick by A. H. Williamson, Timber Controller. Under the new order the ceiling on spruce pulpwood, in the rough state, has been set at $9.85 a cord and for peeled pulpwood $12.80 a cord.

The new price represents an advance of about 7½% over that prevailing a year ago.

Quebec Plans Study Forestry Problems

Formation of a committee of experts to study postwar problems of the forestry industry is announced by Hon. Wilfrid Hamel, Quebec Minister of Lands and Forests.

Mr. Hamel will serve as chairman. The committee will include representatives of the pulp and paper industry and several government officials.

Weekly Bank Clearings

	June 10 1943 $	Change year ago %	June 3 1943 $
Halifax	4,320,476	+13.9	4,580,623
Saint John	2,903,145	+7.3	2,515,170
Moncton	1,020,575	+19.1	1,134,865
Sherbrooke	1,302,238	+54.4	1,187,899
Quebec	6,091,798	+27.5	5,421,336
Montreal	130,516,377	+31.9	173,993,954
Ottawa	115,422,547	+119.4	80,226,855
Kingston	865,063	+18.7	953,826
Peterborough	1,050,792	+39.2	939,749
Toronto	127,508,082	+18.0	184,766,557
Hamilton	5,990,503	—4.2	8,149,339
Kitchener	1,330,519	+15.1	1,409,547
Brantford	1,024,685	+5.4	1,270,073
London	3,157,906	+21.5	3,631,871
Chatham	574,510	+0.6	692,139
Windsor	3,412,584	+0.08	4,022,906
Sarnia	763,572	+60.5	886,753
Sudbury	1,082,550	+5.5	1,377,051
St. Catharines	1,659,774	+27.9	1,635,702
Fort William	963,551	+7.5	1,148,797
Winnipeg	74,772,041	+97.9	71,589,077
Brandon	534,110	+24.1	583,610
Regina	6,109,489	+40.7	7,290,434
Saskatoon	2,107,272	+39.9	2,079,393
Prince Albert	655,198	+36.4	647,764
Edmonton	7,388,147	+37.0	8,359,049
Calgary	7,702,596	+40.1	7,847,663
Lethbridge	781,693	+36.0	829,558
N. W'minster	772,036	—11.9	822,270
Vancouver	27,242,338	+41.7	27,869,712
Victoria	2,226,441	+18.9	2,064,775
Moose Jaw	860,789	+33.2	937,988
Medicine Hat	412,579	+49.7	491,433

New Books

Rebuilding Europe

REBUILDING EUROPE—AFTER VICTORY, by Hiram Motherwell. Public Affairs Pamphlets No. 81. 10 cents.

The democracies may think they have their hands full waging a total war against Fascism and its satellite evils and at the same time trying to control current industrial unrest. But this is nothing to the enormity of that which will confront the United Nations on armistice day when they are faced with reconstructing an utterly prostrate Europe.

Hiram Motherwell, author of "Rebuilding Europe—After Victory," the 81st of a series of popular ten-cent pamphlets issued by the Public Affairs Committee of New York, sketches the postwar picture in vast outline. It is not reassuring. It will take statesmanship of superb quality, to say nothing of thorough self-education on the part of all the European nations, as well as Great Britain and the United States.

Mr. Motherwell pictures a Europe whose condition Canadians will scarcely be able to visualize. This Europe will judge the work of the Reconstruction Organization, detailed to the task, during the first weeks of operation. Food to the hungry must come first, with political decisions determined at a deferred date.

In order to put Europe in a position to "reconstruct herself," and to restore those "invisible habits and institutions that enable men to make a living" and which Germany destroyed, the Reconstruction Organization may take the form of a temporary Federal Government of Europe.

This suggestion in itself churns up all sorts of questions which will intrigue or disturb the reader.

Such a structure, for example, would involve the following schemes on a continent-wide basis: customs union regarding transportation and purchase of basic foods; operation of basic production and commerce; joint administration of many colonial possessions; monopoly of central banking and, perhaps, of a single continental currency; patent agreements for exchange of inventions and processes, a central police power, and possibly federal power of taxation.

How will this affect the traditional policies of Great Britain and the United States? Will there be danger of a highly industrialized Germany getting control of such a federation? What threat, if any, is there from Russia? And what of awakening China? What role will socialism play? All these questions are dealt with in a stimulating manner.

The pamphlet is an excellent example of the growing body of postwar "reconstruction" writing. It may depress the honest reader to regard the vastness of the task facing statesmen, nevertheless now is the time to do "some good hard thinking." This pamphlet makes a good start.

Town Planning Problems

HOMES OR HOVELS? Published by the Canadian Institute of International Affairs and Canadian Association for Adult Education, Toronto. Price 10 cents.

Sub-titled by its edior, Anthony Adamson, "Some Authoritative Views on Canadian Housing," this represents a useful compilation of views on Canada's housing problem at large. The booklet, attractively illustrated with three town-planning layouts, comprises a number of speeches given before the Ontario Association of Architects' conference earlier this year, together with added information on housing at home and abroad.

The speeches include The Town Planning Need by Professor Eric Arthur, The Social Welfare Need by Rev. John Frank, The Municipal Problem by A. J. B. Gray, Deputy Minister of Municipal Affairs and The Building Industry's Problems by A. S. Mathers, president, National Construction Council. They present many ideas on housing and the government's role in providing adequate housing which may not find universal acceptance but reflect much useful and constructive thinking.

Goal for the World

FREEDOM FROM WANT: A WORLD GOAL by Elizabeth Hoyt. Pamphlet of the Public Affairs Committee. Ten cents.

Two thirds of the world's population is in want even in normal times, according to this survey by a professor of economics at Iowa State College.

Declaring that modern science has made it possible for us to measure want in exact terms, Miss Hoyt uses the yardsticks of malnutrition, death rate and illiteracy to prepare a "World Map of Want," which shows the whole of Africa, most of Asia and South America below the level of healthy living.

"Want is no longer necessary," Miss Hoyt insists. "The means for its control are in man's hands. Today we know the fundamentals of nutrition and how to get nourishing food in abundance . . . . We have dozens of effective weapons now ready to be used to free people from disease and premature death."

Among weapons at hand for winning freedom from hunger, disease and ignorance, the author lists relatively simple changes in diet, application of already available measures of care and cleanliness in the control of disease, and the whittling down of illiteracy.

Miss Hoyt sees the United Nations as an agency which can be strengthened, further developed, and immediately used in the struggle for freedom from want after the war.

Textiles Reviewed

MANUAL OF THE TEXTILE INDUSTRY OF CANADA, 1943. Published by the Canadian Textile Journal Publishing Co. Price $1.

The Canadian textiles industry has since the war had a tremendous added task. Some 800,000 men and women of the forces have needed blankets, clothing, goods of all descriptions. At the same time essential civilian needs have in no way diminished. The Manual of the Textile Industry of Canada for 1943, just published, finds that requirements have been well satisfied, that the textiles industry has adjusted itself to the challenge of wartime with signal success.

The issue contains an article on textile price control by Carl Bergithon of the Wartime Prices and Trade Board. Problems of the domestic and imported wool trade are discussed by trade authorities.

Dr. P. Larose and C. H. Bayley of the National Research Council have enquired into war uses of textiles, emphasizing the work on specifications, quality and performance. Keith Horner, secretary of the Dyestuffs Advisory Committee, describes the situation in the dyeing industry under wartime conditions. E. S. Bates, who is the editor of the manual, writes of "Textiles in Postwar Economy."

Figuring Income Tax

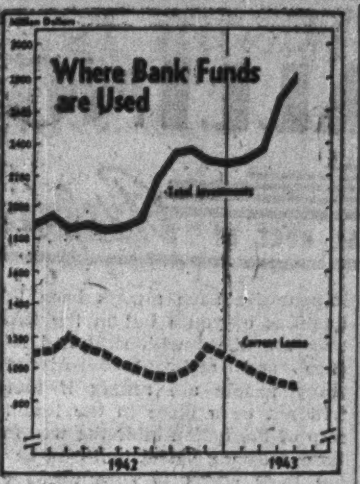
HOW TO PREPARE YOUR INCOME TAX, 1943, budget edition, by Lancelot J. Smith. Published by Wm. Collins Sons & Co. Canada, Toronto. Price 50 cents.

Even to the most sophisticated of Canada's two million income tax payers, making out the income tax return is a matter of concern. But to hundreds of thousands of new taxpayers it is a good deal worse than that. Accordingly anything that helps the citizen to calculate quickly and accurately how much tax he should pay and how and when he should pay it, fills a useful function.

This new book by Mr. Smith should prove highly acceptable to all taxpayers whether experienced or not. It gives in simple, non-technical language, a mass of information regarding the tax payable on both 1941 and 1942 income. It explains who must make income tax returns, the information to be given, date when the return and payments have to be made. It explains exemptions and allowances for dependents, etc.

To make things clearer it shows in detail how the income tax return is filled in for different items. For example it gives definite examples of how to show salaries and wages, and other remuneration of other kinds. It explains the savings features of the tax, the place of annuities and allowances for annuity payments, gift tax, etc.

An important feature is a table of dividend payments by leading Canadian corporations reprinted by arrangement with The Financial Post Corporation Service. Tax authorities who have seen the book state it is accurate and complete. The author is a partner of Gunn, Roberts & Co., chartered accountants.



Especially in last few months, business has been borrowing less from the chartered banks. Interruptions in decline in the volume of commercial loans have been experienced at the time of each Victory loan.

The banks, finding this avenue for the employment of their funds restricted, have increased their investments, a large part being in short term deposit certificates of the Dominion.

Current loans are normally the big earnings asset of the banks. The increase in investments will to some extent offset the decline in loans, but probably not altogether. In the last 16 months, while loans have declined 14%, investments of the banks have increased 47%.

Quebec Buys Plant For Papermaking School

Furthering its technical education program, the Quebec Government has purchased a waste-paper plant at Three Rivers. It is the intention of transferring into the building the paper-making school now housed in the Three Rivers Technical School. Already some of the machinery to go into the new school has been bought by the government.

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LONDON CALLING

WRITTEN EACH WEEK EXCLUSIVELY FOR THE FINANCIAL POST BY Adelphi

LONDON.—The tempo quickens. June is here and no one doubts that it will be a flaming June. The Hell which Hitler conjured into being is in full fury and moving toward Germany with relentless speed.

Franco, from exhausted Spain, demands that the inhumanity of aerial bombing be stopped before it destroys civilization itself. The British answer: "You did not try to stop the Germans bombing Guerenica, Madrid, Warsaw, Rotterdam or Coventry. Are they not part of civilization?"

A young Englishman of 25 wearing the uniform and rank of a Wing Commander goes to Buckingham Palace. His name is Gibson and he already had the D.S.O. and Bar, and D.F.C. and Bar. Now he adds the V.C. to the others.

Wing Commander Gibson is the son of a British Civil Servant in India. His 99th operational sortie was the bombing of the dams at Mohne. Not only did he lead the flight but he planned and rehearsed it for many weeks. The part he allotted to his own bomber was to go in first and low. Then, if he survived, he would fly low above the water to draw the A.A. fire and permit the others to attain their targets. The Air Force gave him one chance in a hundred of coming back.

Once more we stand in mute and respectful admiration at the amazing breed of airmen. Courage and impetuosity have always been the qualities of youth but in the RAF they are allied with skill and science and self-control. Already many people are asking if there will not be a place in the leadership of the nation after the war for these amazing youngsters who have led their crews to such deeds of valor.

• • •

Plenty of Paratroopers

Every man in uniform over here is spoiling for a fight. In the matter of paratroops, soldiers must volunteer. At the present time the Army cannot handle the rush. The lads in khaki aren't taking any chances of missing the show.

• • •

Bevin Next Premier?

Political circles are intrigued. It is being whispered that when Churchill was leaving for his recent visit he was asked to nominate his successor. If rumor is correct he chose Ernest Bevin the trade union boss, now Minister of Labor.

That will make Eden stroke his well-trimmed moustache. But then as I said there are a lot of rumors flying about.

• • •

Tories Hold Convention

The Tory party held its first convention of the war. In the absence of Churchill it fell to Eden to play the big role.

True to form the party elected the spidery, aristocratic Marquis of Salisbury as president of the National Union. But equally true to form it elected 63-year-old Bob Catterall of Lancashire to be chairman. When Mr. Catterall was elected he drew great applause by saying in a broad Lancashire accent: "I'll listen to all and say nowt."

Thus the genius of the Tory party persists. Side by side the Noble Marquis and the ex-mill hand take office and direct the party's fortunes.

• • •

Stage Version of Hitler

Last night I went to Oxford to see Douglas Reed's new play, "Downfall." It was being put on by the Repertory Players in the old Varsity Town, but they had imported the London star, Esme Percy, to play the part of Hitler.

"Downfall" is a strange play. It is as long as Hamlet and I imagine Hitler has more to say than the gloomy Dane. Goering, Goebbels, Himmler and Keitel are just dummies. Hitler is the whole show. Unfortunately the author is so determined to show Hitler's self-infatuation that he fails to make him sinister. His Fuehrer was no more than a ham actor in love with his own sense of melodrama, fond of music and rain storms, not eating meat because he could not bear the shedding of blood, and full of excuses and reproaches.

There are some fine moments. Hitler's talk to two captured British airmen is first rate, and his whispered: "I never saw the sea" is worthy of a great dramatist. If Douglas Reed wants a London production he had better hand his play over to some efficient hack, or what they call in London, a "play doctor." You cannot have a success just on three or four good moments.

• • •

Bennett on Empire Day

R. B. Bennett had a busy time on Empire Day. He has become the foremost Empire figure in London, and is in great demand at every Imperial function.

His health is splendid and he seems to have acquired the endurance which made him a formidable figure ten years ago in Canada. No one from the outer Empire has ever made so swift, yet so deep, an impression on the British.

BUSINESS enriches the NATION and YOU

Business Is Working —Not Talking

If commerce and industry were to tell their story, we would all learn much about how men and women are coördinating their efforts under the direction of management to facilitate production.

War-time business problems are so complex in nature and so multitudinous in number that only unremitting effort and the smoothest of team-work on the part of all can hope to accomplish the job. A glance at some of Canada's 1942 industrial achievements demonstrates how efficiently business is facing up to its war-time task.

Canada's 1942 production of aircraft soared 250% over the 1941 figure. In ships and ship repairs, the increase was 275%. In tanks and armoured vehicles, completed units totalled almost 1000% above the previous year. In small arms, manufacture moved up 1100%.

These things business is doing, not talking of doing—these things, plus equally astounding achievements in food, clothing, construction and all other industrial fields essential to total war and civilian life.

Canadian business is making a tremendous contribution to our national and personal security. 613-43

THE BANK OF TORONTO

Incorporated 1855

WESTERN WIRE CHIEF — A. P. Linnell, new general superintendent for Canadian National Telegraphs, western region. He succeeds James G. Davies, who now retires on pension after more than 25 years service.

Company Reports

Young-Davidson

With 1942 production well maintained and operating charges showing a substantial reduction, an increase in profits was realized by Young-Davidson Mines last year. Earnings were 4.6 cents a share compared with 3 cents the previous year.

Broken ore reserves at Dec. 31, 1942, totalled 1,191,750 tons with an additional 135,000 tons broken the first quarter of 1943. This broken reserve is sufficient for four years on the basis of 296,942 tons of ore milled in 1942. Blocked out ore down to the fifth level is estimated at over 10 years' mill supply.

Mine Operating Results Years Ended Dec. 31

	1942	1941
Bullion prod.	$1,306,794	$1,374,609
Add: Discs. recd.	186	580
Total income	1,306,980	1,375,189
Less: Oper. exps.	754,122	983,599
Taxes	193,664	84,721
Oper. profit	359,194	306,869
Add: Adjustment	46,838	21,586
Divisible profit*	406,032	328,456

*Of which 20% belongs to Young-Davidson Mines together with $2,499 tax adjustment.

Profit & Loss—Years Ended Dec. 31

	1942	1941
Share of profits	$83,705	$67,147
Less: Admin. exp.	6,959	7,932
Incorp. exp. w/o	4,392	4,392
Ont. incorp. tax	......	1,835
Net profit	72,354	52,988
Less: Dividends	63,364	63,364
Surp. for year	8,990	*10,376
Add: Prev. surp.	32,332	42,707
Tax adjust.	1,835	......
Nom. value invest.	......	1
Surplus forward	43,157	32,332
Earned per Share	$0.046	$0.03
Paid	0.04	0.04
No. of Shs. Outstdg.	1,584,108	1,584,108
Working Capital	$51,896	$36,680

*Loss or deficit.

Pickle Crow

With a drop in tonnage milled from 175,669 to 126,832 tons in 1942 due to the labor shortage, Pickle Crow Mines' earnings showed a decline to 20 cents for 1942 from the 36 cents a share for 1941.

Ore reserves at Dec. 31, 1942, totalled 566,160 tons in the Howell vein averaging $12.22 a ton—sufficient for 3 1/3 years at the 1941 milling rate. Insufficient work has been done to include No. 2 vein (north mine) ore in reserves.

Most important ore exposure during the year was 260 ft. of ore in the No. 2 vein (opened in drifting at the 1,100-ft. level) averaging $20.65 a ton across 36 inches. The same vein at the 750-ft. level shows 405 tons of ore to the vertical foot averaging $10.85 a ton.

Income & Surplus—Years Ended Dec. 31

	1942	1941
Bullion prod.	$1,976,684	$2,736,169
Less: Marketing	23,678	32,906
Net production	1,953,006	2,703,263
Less: Oper. exps.	927,063	997,742
Oper. profit	1,025,943	1,705,521
Add: Sundry rev.	21,673	25,795
Total earnings	1,047,616	1,731,316
Less: Deprec.	215,428	205,747
Marine rly. cons. exp.	......	4,997
Invest. w/o	......	625
Prov. for taxes	221,126	434,221
Net profit	611,062	1,085,726
Less: Divds.	900,000	1,200,000
Deficit for year	288,938	114,274
Add: Pref. surp.	1,226,096	1,340,369
Balance forward	937,158	1,226,095
Earned per Share	$0.20	$0.36
Paid	0.30	0.40
No. of Shs. Outstdg.	3,000,000	3,000,000
Working Capital	$605,089	$857,738

CANADA HELPS BLITZ VICTIMS RE-BUILD

Canadian-made Masonite Now Used To Rehabilitate Britain's Bombed Areas

Ottawa, June 10—Hopes of happier days to come buoyed up the spirits of gallant folks like Jack and Mary T.—during the darkest days of the blitz. Now the brightest of their hopes are being realized with the first active steps toward reconstruction of Britain's bombed areas.

One House in Five Damaged

One house out of every five in Great Britain has been damaged; almost five hundred hospitals, countless churches and schools have suffered. A colossal amount of property has been wholly destroyed or badly damaged. To alleviate this devastation, local authorities throughout the British Isles have received Government funds to make repairs wherever possible. Consequently, the job of re-building was and still is an enormous task. There's a pressing need for the simplest articles of household furniture, articles which provide a bare minimum of comfort such as tables, chairs and cupboards.

Speedy Construction Urged

In this speedy construction of furnishings so urgently needed, strong, durable, easy-to-handle materials like Masonite have come into their own. Masonite has over five hundred wartime uses. It has helped to build and furnish hundreds of snug temporary homes. It has convincingly proven its right to the title "The Wonder Wood of a Thousand Uses," especially in the making of wartime furniture, housing equipment of all kinds, and in fitting out temporary shelters.

Masonite Fills Many Needs

Masonite is used extensively for building ambulances and equipping hospital trains. It makes strong tile-smooth walls and partitions that are easy to keep spotless. On these trains it also finds use in a dozen different ways—for medicine, utility, bathroom, linen, storage and sink cabinets.

• • •

It's easy to understand, in view of these pressing wartime needs, why Masonite is no longer available for civilian use in Canada. But when Masonite has "done its bit" over there, it will be available once again and popular as ever with the Canadian public.

THE WOOD OF A THOUSAND USES

MASONITE

THE MASONITE COMPANY OF CANADA, LTD.
GATINEAU, QUE.

C. W. Lindsay

C. W. Lindsay & Co.'s financial statement for the year ended Feb. 28, 1943, reveals a contraction in earnings. Gross profits totalled $68,950, as against $133,070 the year before. After allowing for a dividend of $2 a share on the preferred, there was a surplus of $12,731 for the year. This contrasts with a profit of $51,098 the year before, when no dividends were paid and the bad debt reserve totalled $14,418.

In his report to shareholders, A. L. Mailman, chairman, said the addition of home furnishings had played an important part in offsetting the virtual stoppage of electrical appliance sales and the decrease in piano sales. Sales for the first half of this year, he said, are expected to hold up well.

Income, Surplus—Years Ended Feb. 28

	1943	1942
Gross revenue	$68,590	$133,070
Less: Bond interest	18,000	18,000
Depreciation	13,733	13,749
Insurance	500	500
Loss on invest.	63	544
Bad debt res.	......	14,418
Tax provision	14,740	34,761
Net profit	21,555	51,098
Less: Pfd. dividend	8,824	......
Surplus	12,731	51,098
Add: Prev. surplus	179,479	128,381
Less: Bad debt des.	22,048	......
Surplus forward	170,162	179,479
Earned per Preferred	$4.89	$11.70
Working Capital	$875,301	$884,249

Balance Sheet Changes

	1943	1942
Cash	$1,300	$72,067
Investments	50,615	616
Accts. Receivable	350,383	634,567
Inventory	753,771	293,670
Bank advances	113,119	......
Bank loan	50,000	......

Dominion Coal Co. Output Off in May

Dominion Coal Co.'s output fell off sharply during May with 289,968 tons raised to the surface, compared with 394,069 tons in the same month last year.

For the first five months of 1943 total output was 1,659,605 tons, a decrease of 411,486 tons from the corresponding total last year.

East Kootenay Power Net Off Moderately

Moderately lower earnings are reported by East Kootenay Power Co., subsidiary of Power Corp of Canada. During April gross income was off $5,548 from that reported a year ago. A saving of $4,158 in expenses helped maintain net earnings.

April

	1943	1942
Gross earnings	$59,992	$65,540
Less: Oper. exps.	22,062	26,220
Net earnings	$37,930	$39,320

NOTE: Operating expenses do not include income and excess profit taxes.

Calgary Stock Exchange Holds Annual Meeting

Calgary Stock Exchange reports that in the year ended May 31, 1943, 2,240,563 shares were traded, having a market value of $168,550. At 17th annual meeting the following officers and directors were elected:

LEONARD PHILLIPS, president.
JAMES CLEAVE, first vice-president.
S. H. PURDY, second vice-president.
ROBERT W. SCRIMGEOUR, secretary-treasurer.
C. S. McKENZIE, F. F. REEVE, P. J. TIMMS, members of committee of management.

We Have Been Asked . .

The Financial Post will provide subscribers as quickly as possible the answers to specific questions about business, taxation, investments, wartime regulations and other subjects. The Post cannot undertake to make predictions, will not express opinions on matters involving individual business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave. A four-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed.

INCOME TAX

Income From Eire

I recently inherited some property in Eire which gives me an income of about £200 annually. Will this be subject to income tax by the Irish authorities? If so can I recover any part of the tax paid and how do I go about this? How much will this Irish income add to the tax I already pay on my earned income?

We believe your Irish income will be subject to tax by the Irish authorities. You should, however, be able to take credit against your Canadian tax for either the amount actually paid in Ireland or the tax you would pay in Canada on the same income, whichever is the less. Without knowing your original income it is impossible to say how much difference this Irish income makes to your tax. You can work this out by taking your original income, adding your Irish income at the official rate of exchange, and then assessing normal and graduated tax. The excess over the tax on your original income will be the tax on your income from Ireland.

Deductions from Dividends

Can you tell me at what rate deductions were made at the source for income tax on dividends from stocks such as Pickle Crow, Kirkland Lake Gold, Imperial Oil, etc.

The deduction from these dividends at the source up to Aug. 31, 1942, was 5%, being the basic rate of deduction for National Defense Tax. After Sept. 1, 1942, the deduction was at the rate of 7%, the lowest rate of normal tax.

Excess Profits Tax

According to the last budget, half the income tax for 1942 is forgiven. Does this concession apply also to excess profits tax? When must the return for excess profits tax on an unincorporated business be made?

No, the remission of half the 1942 tax does not apply to excess profits tax. The date when the return for 1942 must be made to the income tax authorities is June 30, 1943.

INVESTMENTS

Gleneagles Apts.

What is the likelihood of Gleneagles Apartments of Montreal paying off its bonds due June 15, 1944?

With the bonds of Gleneagles Apartments on an income basis and currently selling around 50, there is little likelihood of any refunding operation being carried out when the bonds mature in June next year. While no official action has been taken, it is understood the bondholders may be asked to agree to an extension of maturity on the existing terms.

Ogilvie Flour

Would you please let me know if Ogilvie Flour Mills stock is the one that was split 6 or 4 ways? Do you think milling companies are in a period of prosperity?

At a special meeting held in Jan., 1938, shareholders of Ogilvie Flour Mills Co. aproved splitting of the common stock on the basis of eight new shares for each old share. This increased the number of outstanding shares to 800,000, on which the company earned $1.12 a share in the fiscal year 1942. Dividends of $1 a share have been paid in the last four years and the outlay has been covered by a comfortable margin.

This company is well regarded and its stock rated as a sound investment issue. Financially the company occupies a strong position while its investments are carried on the books at about half the market value.

As regards the milling end of the business, current operations are on a capacity basis and both production and gross income the largest in some time, but prospects are that the 1943 report should make encouraging reading for the shareholders.

Newsprint Stocks

As a subscriber of your paper, I would appreciate comment on the outlook for paper stocks generally. They seem to be quite strong on the market at this time. Is this founded on a sound business basis or is it likely to develop into a "flash in the pan" movement?

Renewed interest and rise in the market value of newsprint securities of late has been due principally to two factors. First, there has been a fairly widespread speculative interest in the low priced stocks and, secondly, reports of a prospective increase in the price of newsprint paper has been taken to mean larger earnings for the operators.

Price negotiations are in the preliminary stage and it will probably be a little while before a decision is reached one way or the other. In the event the operators are unsuccessful in getting the price increase through, indications are that earnings for 1943 will be on a lower basis than in 1942.

M. & O. Common

What is the position of Minnesota & Ontario Paper Co. common shares as an investment? Is a dividend likely in the near future?

The common shares of Minnesota & Ontario Paper Co. must be regarded as speculative and hardly in what is usually termed the investment class. This company completed a reorganization in 1941 whereby its funded debt was cut in two and former common stock wiped out. Last year it earned $1.09 a share on the common compared with 91c. in 1941.

We have no information as to whether or not any dividend payments are likely on the new common. The company's liquid position is satisfactory but it is required to make substantial payments toward reduction of funded debt under the terms of the reorganization.

Current prospects for the newsprint industry are somewhat clouded by the fact that newsprint is being rationed with consumption reduced by government regulation. At the same time costs of production have gone up, it is claimed, more than enough to wipe out the $4 a ton increase in newsprint prices granted a short time ago.

CMA VICE-PRESIDENT — J. C. Macfarlane, K.C., vice-president of Canadian General Electric Co., Toronto, who was recently elected first vice-president of the Canadian Manufacturers' Association.

New Wartime Regulations

Post Summary of Latest Ottawa Rulings

COMMENCEMENT, ETC. OF BUSINESSES. WPTB order 284, June 5, makes certain changes, and simplifications in form, of order 184, which it revokes. Its purpose is to help maintain the stability of businesses under wartime conditions, since the board believes that existing businesses can adequately handle the supply of goods and services and uncontrolled expansion would jeopardize the position of these and make more difficult equitable distribution of supplies available. WPTB Chm., Donald Gordon.

* * *

SHORTENING. WPTB order A-757, June 7, limits the number of brands of shortening which may be manufactured on or after July 1 to no more than two and to no more than the number previously manufactured. Sizes of packages are also restricted. Exception is made in the number of brands to be made of those used in commercial baking, confectionery or other industrial use. Adm. of Oils and Fats, Phyllis G. Turner.

* * *

SPICES. WPTB order A-758, June 8, sets maximum prices for spices, including black and white pepper, allspice, cinnamon, cloves, ginger, nutmeg, mace and sage. Foods Adm. K. W. Taylor.

* * *

HEATERS. WPTB order A-760, June 9, amends order A-479, respecting heaters, to allow brass or copper tubing of a certain gauge to be used in the manufacture of heaters for federal agencies or public hospitals. Adm. of Plumbing, Heating and Ventilating Equipment and Supplies, E. J. Laidlaw.

* * *

FACIAL TISSUES. WPTB order A-765, June 11, sets restrictions on the manufacture and packaging of facial tissues. Adm. of Packages and Converted Paper Products, C. V. Hoode.

* * *

COFFINS. WPTB order A-766, June 11, sets maximum allowable increases in the price of coffins and caskets above those in effect during the basic period, Sept. 15 to Oct. 11, 1941. Adm. of Furniture and Brushes, Jas. E. Ferguson.

* * *

PULPWOOD. WPTB orders A-762 and A-763, June 11, set maximum consumer prices for spruce, jackpine or poplar pulpwood in Manitoba and in the Ontario districts of Kenora and Rainy River. Timber Adm., A. H. Williamson.

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CANADA'S NATIONAL AIR SERVICE

Air Mail • Passenger • Air Express

WAGES • TAXES • DIVIDENDS

	Wages	Taxes	Dividends
1943	$10,498,348	$7,700,000	$1,485,842
1942	9,379,203	8,000,000	1,485,842
1941	7,525,606	4,192,456	1,485,842
1940	6,108,216	1,336,531	1,485,842
1939	4,511,433	244,514	1,485,842

- The annual wage bill is now twice what it was in 1939. This is partly because of the increase in the amount of employment but also because the average hourly earnings of plant employees (cost of living bonus included) have increased 42.2% since the outbreak of the war.
- Income taxes today are more than 3,000% above 1939. But the company's 3,188 shareholders get the same dividends as at the start of the war.
- This record is typical of Canadian business enterprises engaged in war production.

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AN INVESTMENT OPPORTUNITY

There is no type of investment available in this country which, from the standpoint of security of principal, attractive interest yield and ready marketability, can compare with DOMINION OF CANADA BONDS

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THE ONTARIO LOAN AND DEBENTURE CO

LONDON, CANADA

Established 1870

DEPOSITS ACCEPTED 5-YEAR DEBENTURES ISSUED

Deposits and Debentures (31 Dec., 1942), $12,389,021

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Make sure that your dependents will secure the full benefit which your WILL provides for them by appointing the Montreal Trust Company as your Executor and Trustee. Competent management and sound administration go hand in hand. Secure both.

Montreal Trust Company

ESTABLISHED 1889

Montreal Trust Building, Toronto

YOU MUST MAKE A 1942 INCOME TAX RETURN NOT LATER THAN JUNE 30th

...IF SINGLE and your net income exceeded $660.00
MARRIED and your net income exceeded $1200.00

The 1942 Income Tax Forms are now ready. Your employer can probably supply you with them . . . otherwise, they are available at your local Post Office, or the office of your District Inspector of Income Tax.

Income Tax dollars are not ordinary dollars . . . they are Victory dollars . . . necessary dollars to help win the war. Income Tax is fair to all. All are taxed in proportion to their ability to pay.

Under the new system introduced this year, Income Tax is now on a pay-as-you-earn basis. The reduction of the 1942 Tax made this possible.

In most cases the larger part of the reduced tax will have been paid by the 1942 tax deductions or instalment payments. One-third of any balance must be paid by 30th June and the remainder on or before 31st December, 1943.

Remember . . . by filing an Income Tax Return and paying any balance, you establish your right, after the war, to the refund of the Savings Portion of your tax.

Over 2,000,000 Canadians will be filing returns and paying taxes . . . avoid the last minute rush. If you wait, illness or other unforeseen circumstances may prevent you from getting your return in on time. Avoid penalties by sending in your return NOW!

GET YOUR FORMS NOW— MAIL THEM PROMPTLY

For incomes not over $3000 get two (2) copies of Form T. 1 Special.

This is a new simplified form—no difficult figuring—no complicated calculations:

For incomes over $3,000 get three (3) copies of Form T. 1. General.

EMPLOYERS

Have you given your employees their copies of the T. 4 Slip which you prepared when you filed your T. 4-1942 return on or before 31st May? These slips give employees a record of their 1942 earnings and tax deductions.

DOMINION OF CANADA—DEPARTMENT OF NATIONAL REVENUE

INCOME TAX DIVISION

COLIN GIBSON, *Minister of National Revenue*

C. FRASER ELLIOTT, *Commissioner of Income Tax*

THE WEEK'S QUOTATIONS

Montreal and Toronto
Week ending Monday close

Winnipeg and Vancouver
Week ending Saturday close

Quotations here listed are the official stock exchange prices for listed stocks, including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

Volume of Stock Sales

	Montreal Markets Indust.	Montreal Markets Mines	Toronto Markets Ind. & Mines	Vancouver Markets Ind. & Mines
June 15	24,300	33,300	405,000	......
June 14	22,200	38,400	643,000	30,625
June 12	15,700	10,700	429,000	26,473
June 11	31,000	17,800	656,000	29,775
June 10	27,400	18,500	677,000	49,635
June 9	24,400	38,100	841,000	55,124

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$12.38	$12.02	$12.40
Hogs	16.78	16.75	15.46
Copper, lb.	*.12	.12	.12
Cotton, lb.	.2207	.2206	.1947
Sugar, raw, lb.	*.0374	.0374	.0374
Wheat, Man. (bu.)	1.01⅝	1.01¼	.79
Coffee, lb.	*.09⅜	.09⅜	.09⅜
Hides	*.15½	.15½	.15½
Weekly Indices			
U. S. Labor	103.9	104.0	98.7
Dow Jones (fut.)	92.28	92.15	84.35
Wood. Gundy	80.2	80.2	76.9
Fishers	112.3	112.3	106.7
Monthly Indices			
Canada (D.B.S.):			
Retail (May)	118.1	117.6	116.1
W'sale (Apr.)	98.9	98.5	95.0
U. S. (Mar.)	103.4	102.5	97.6
Gt. Brit. (Mar.)	162.2	161.7	158.8

Note:—The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good, over 1,050 lb., top price Toronto. Copper - electrolytic. New York, No. 7 coffee. Rio. Sugar—96 degrees centrifugal, c/f New York. Wheat — No. 1 Man. North., Ft. W.-Pt. A. basis. Cotton, raw, spot, N.Y.

*Ceiling prices fixed by the office of Price Administration.

Bond Redemptions

Bond Issues:	Rate	Year	Due	Price
Un. Gr. Gr.* (C)	4½%	1949	July 2	102
Do., (A)	5%	1948	July 2	101
Shawinigan W.	*4%	1961	Oct. 1	103
Nan-Dun. Utl. A	5½%	1964	July 2	104
Para. Pict. deb.†	4%	1956	June 23	103
Ham. By-Pd. c.‡	5%	1955	June 30	102.8
Col. Steamships	6%	1954	July 1	102
Okanagan Tel.	4½%	1960	July 1	102
Unit. Amuse. A▲	5%	1956	Aug. 1	103½
Inter. Power	6%	1955	July 2	103
B. C. Packers	4½%	1944	July 15	101
Do.,	5%	1953	July 15	104

*$2,224,000 †$3,000,000. ‡$22,000. ▲$19,000.

Supplementary Stock Quotations
(Furnished by Plaxton, McDonnell & Co., Toronto)

June 15, 1943

Miscellaneous Stocks:	Bid	Ask.
Allens Lond. Thea., pfd.	53	..
Atlas Steels, 7% 2nd pf.	106	108
Brantford Roofing, c.	2½	..
Can. Co-op. Wool	9	..
Can. Fairbanks, com.	22	..
*Can. Gen. Rubber, pfd.	..	21
Can. Paving 1st pfd.	1½	..
Can. West. Lumber c.	.25	.45
Cawthra Apts. pfd.	3	4
Claude Neon 7% pfd.	4	..
Commer. Life 10% pd.	6	..
Copland Brewing	.90	..
Dubuisson Gold	.14	.17
†Easy Wash. 7% pref.	9½	10½
Fed. Fdries. & Steel c.	.20	.35
†Ft. Wm. Hotel units	..	45½
Franco Oils	.28	.32
Highland Dairy, c.	1	..
Insce. Exch. Bldg. c.	1	1½
Medical Arts com.	78	..
Milton Brick, com.	.10	..
Monarch Mtge. units	1	..
Nat. Hosiery com.	1	..
Do., pfd.	1.05	..
†Nor. Amer. Elev. 1st pf.	84½	..
*Do., 2nd pref.	26	..
Do., com.	..	1
Nor. Telephone, c.	1½	..
Numaque Mining	.04c	..
Que. Pulp & Paper pfd.	20½	22
Ritchie Cut Stone pfd.	1	4
P. L. Robertson Mfg. c.	20	..
Do., $2.50 pfd.	43	..
St. John Dryd. 5½% pf.	97	100
Sincennes McN. com.	2	..
Supertest Pete. 6% pf.	26½	28½
Un. Farmers Co-op.	3½	4
Waterloo Mfg.	7	8
Windsor Hotel, com.	2½	3½

*Issue carries arrears.
†Currently paying on arrears.

Municipal Bonds
June 15, 1943

	%	Due	Bid	Ask.	Yld. %
†Halifax	5	1961	116.00	119.00	3.56
Hamilton	5	1950	110.00	113.00	2.95
Montreal	5	1945	96.00	99.00	*
Ottawa	4½	1945	104.00	105.50	2.07
†Quebec	5	1959	113.75	116.75	3.62
Saint John	5	1950	105.00	108.00	3.83
†Toronto	4½	1955	119.00	122.00	3.35
†Vancouver	5	1970	108.00	111.00	4.31
Winnipeg	5	1944	100.00	102.25	1.96

†Payable Can. & N. Y. *Flat.

Annual Meetings

1943:	Company	Place
June 21	T. G. Bright & Co.	Niagara Falls
June 22	National Grocers	Toronto
June 25	Astoria Que. Mines	Quebec
June 25	Bagamac Mines	Quebec
June 25	Canadian Vickers	Montreal
June 29	Acme Farmers Dairy†	Toronto
June 29	Acme Farmers Dairy▲	Toronto
June 29	Brazilian Traction	Toronto
June 30	Mexican Lt. & Pwr.	Toronto
June 30	Mexico Tramways	Toronto
July 7	Eastern Dairies▲	Montreal
July 14	Ritz-Carlton Hotel*	Montreal

▲All shareholders. *Bondholders.

Drilling Wells

Well:	Drilling depth ft.	Offering price per 1%
Maryland Pete. pfd.	8,723	*$4.375
Major Oil No. 6 pfd.	8,022	3,700
Major Oil No. 6 gr.	8,022	6,300
Empire pfd. (Ont.)†	....	*1,100
Phillips Kinsella Ltd.†	....	*2,100

*Pegged price. †Acreage royalty stock bonus.

Unlisted Stocks
June 15, 1943
(Furnished by A. J. Pattison Jr. & Co., Toronto)

Industrial:	Bid	Ask.
Acme Farm., pf.	75	..
Andian National	21	..
Anglo C. Tel., A	8	8½
Atlas Steels, c.	22	23½
Do., pref.	105	108
B. C. Pulp, c.	12½	14½
Do., pfd.	75	81
Barrymore Cl., p.	45	..
B. C. Sugar	73	79
B. C. Tel., p.	112½	..
Brown, com.	2½	2½
Do., 6% pfd.	40	42½
Burns & Co., A	10½	12½
Do., B	6	7½
Canada Tea, p.	28½	..
Can. Indust., A	152	156
Can. Mach., c.	7	9½
Can. Ing. Rand	62½	66
Can. Mot. L.A.B.	8½	..
Cap. W. Cloth	5	..
Do., pref.	17	19
Col. Realty	3½	..
Chase, A. W., p.	16½	..
Colonial Steam.	71	75
Copeland F. un.	15	17
Corr. Box, c.	3½	..
Dover Ind.	7	9
Dunlop T. p. $25	22	25
Fed. Grain	3½	4½
Do., pref.	84	90
Galt Brass, c.	10	12
Goderich Elev.	9½	10½
Guard. Realty, p.	17	19
Guelph Carpet, c.	13	16
Gurney Fdy., p.	1½	2½
Hart Battery	5½	..
Hayes Steel, c.	14½	..
High. Dairy, pf.	..	45
Inglis, John	6	7½
Ingram & Bell, p.	88	..
Kingst. Ship., c.	12	..
Loblaw Inc., c.	12	12½

	Bid	Ask.
Minn. & Ont. p.c.	7½	8½
Mt. Royal Htl. c.	3	..
M'row Screw, p.	100	..
Do., com.	14½	..
Moirs, pfd.	15½	..
Morrison Br. un.	6	..
Neilson, Wm., c.	10	..
Do., p.	101	..
N. Meth. Ldy. p.	75	..
Ont. Tobacco, p.	15	..
Prov. Paper, p.	99	..
River. Silk., B	2½	..
Stand. Fuel. p.	51½	..
Stedman, pf. $50	54½	57½
Sutton Horsley	½	1½
Tor. Carpet, c.	68	..
Do., pref.	67½	..
Un. Steel, A, pf.	23	24½
Viceroy Mfg., c.	12½	..
Do., pref.	21	23
West. Grain, un.	..	35½
Trust & Loan Stocks:		
British Mtge.	116	126
Brockville Tr.	44	..
Capital Trust	29	..
Comm. Fin., c.	7½	..
Grey B. Tr. $50.	45	..
Guaranty Trust	100	103
Guelph & O. $50	47	52½
Indust. Mtge.	..	29
Lambton Loan	34	..
Lond. & W. Trust	34½	37½
Midland Loan	14	16
Premier Trust	30	..
Sherbrooke Tr.	120	..
Sterling Trust	55	..
Trusts & Guar.	35	..
Victoria Trust	65	..
Waterloo Trust	100	..
Insurance Stocks:		
Brit. Amer.	52	54
Canada Life	330	340

	Bid	Ask.
Canadian Fire	73	79
Confed. 30% pd.	130	140
Continental L.	27½	30
Crown Life	250	270
Dominion Fire	134½	138
D. of Can. Gen.	125	..
Dom. Life	175	200
Empire, 25% pd.	6	7½
Excelsior 40% pd.	71½	76
Great-West Life	238	..
Halifax Fire	13	14½
Imperial Life	248	275
Manufac. Life	220	230
Monarch Life	33½	38½
National Life	8	10
Sov. L. 25% pd.	13½	..
Sun Life	315	340
Tor. General	4½	5½
Western Assce.	40	..
Do., pref.	41	44
Western Life	12	15
Investment Trust Shares:		
Inv. Found. un.	42	..
Sec's Hold., pf.	18	..
Th. Can. Inv. Th.	2	..
Theatre Stocks:		
Allen's St. Cath. units	64	..
Do., Kingston	65½	..
Do., Toronto, p.	36½	..
Mansf. Theat., p.	61	..
Para. Kitch., p.	50	..
Do., Oshawa, c.	10	..
Do., Oshawa, p.	83	..
Power Issues:		
Can. W. N. Gas	27	..
Do., pfd.	103	..
Gt. Lakes Pr., p.	102	106
Int. Util. $1.75 p.	17	..
Do., $3.50 p.	40	..
Mtl. Isl. Pwr. p.	44	..

Unlisted Mines
Toronto, June 15, 1943

	Bid	Ask		Bid	Ask
Adnaron	.34	.37	Cons Chib	.05½	.07
Albany R (new)	.07	.09	Conti Tin	.22	.25
Algo Cop	.24½	.27	Crowshore	.03½	.06
Amal Kir	.09	.11	De Santis (new)	.04	.07
Amicmica	.24	.27	Dona Pat	.01½	.02
Ana'maq'	.13	.15	Eastward	.14½	.16
Area	.08	.09	Electra	.09	.11
Arno	.01½	.02½	Goodrock	.13	.15
Arntfield	.01	.02	Gunflint	.30	.34
Athona	.03	.04	Harp Mal	.13½	.15½
Banca	.42	.45	Hayes Cad	.01½	.02
Bar Lard	.04½	.05½	Hoyle new	.11	.13
Bayshore	.24½	.27	Hugh P P	.05	.07
Brengold	..	.01½	Ivan Lard	.23	.26
Brock	.08½	.10	Laguerre	.09	.10
Calder Bo	.07	.08	Lk Geneva	.06	.08
Can Rad	.03½	..	Lar-Add	.14	.16
Cen Mani	.02½	.03	Largold	.30	.34
Cheminis	.05½	.07	Magn Con	.36	.40
Clift Cons	.51	.56	Majormic	.55½	.59
Cock R. L.	.03½	.04½	Mar Bird	.05½	.06½
Columbier	.24	.26	Mat Cons	.12	.15

Oil Royalties
Producing Wells — Prices and Payments

	May daily quota bbls.§	Mar. 15 daily quota bbls.§	Feb. pay. 1% $	Mar. pay. 1% $	April pay. 1% $	Total to Apr. 30 1% $	Offering price* per 1% $
Ace No. 1 gross	385	386	166.41	169.40	....	†4,699.44	....
Alta. Oil Inc. No. 1 gr.	65	65	27.60	37.20	28.40	3,738.40	$1,200
Do., No. 1 net	65	65	21.60	29.20	....	†4,169.60	900
Do., No. 2 gr.	325	389	152.00	140.00	138.80	4,988.80	....
Do., No. 9 dfd.	320	320	....	....	....	......	1,400
Miracle No. 1 net	300	300	90.12	107.96	....	†5,121.62	2,700
Do., No. 1 gr.	300	300	129.20	148.61	....	†5,253.23	....
Do., No. 2 pfd.	160	200	91.16	87.04	....	......	2,600
Do., No. 2 gr.	160	200	82.80	75.86	....	†1,201.58	3,800
Miracle No. 3 pfd.	...	...	....	....	....	......	3,200
Do., No. 3 gr.	...	...	....	....	....	......	5,900
National Vulcan	...	...	....	....	....	......	3,200

*Approximately 25% over dealers' bid price. § Approximate. †To March 31 only.

Significant Investors' Index Numbers

	Mach. and equip.	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied prod.	Beverages	Bldg. mater.	Power and traction	Banks	Total utilities	Total co's.
No. of Securities	8	7	3	4	10	12	7	15	15	8	19	95
(Base 1935-39=100)												
*1935 to date:												
High	134.5	234.4	149.7	123.7	135.7	118.3	133.4	153.4	146.8	118.2	145.0	134.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	68.7	60.2	69.0	65.2	61.1
1943: Monthly Figures:												
Jan.	90.3	75.3	82.4	62.9	114.3	88.2	109.7	84.0	88.5	76.7	90.0	76.3
Feb.	94.0	75.8	88.3	67.2	117.4	88.1	111.8	85.0	88.0	78.6	88.0	78.7
Mar.	96.7	77.1	89.5	65.6	118.1	81.6	113.9	85.3	88.6	80.2	92.1	79.1
April	100.8	79.6	93.3	67.7	121.1	87.4	128.2	89.5	95.8	80.9	101.4	82.6
1943: Weekly Figures:												
May 6	101.7	89.2	91.5	67.9	119.2	89.8	129.6	91.8	96.3	80.5	105.4	83.9
May 13	101.6	85.9	89.8	66.6	119.6	89.1	125.8	90.0	99.6	80.1	105.1	82.8
May 20	103.2	87.6	90.9	67.7	119.0	88.8	125.8	90.5	100.2	80.5	105.1	83.0
May 27	105.4	87.2	91.3	68.1	119.4	87.9	129.4	91.2	101.4	80.7	106.6	83.9
June 3	108.0	96.5	94.3	69.1	122.2	87.7	130.1	93.3	105.4	80.7	108.8	84.8
June 10	107.1	95.0	97.6	75.0	123.4	88.9	133.4	94.2	109.8	80.9	111.3	87.1

*High and low for years from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
June 15	117.60	83.74	73.41	24.76
June 14	118.15	83.95	73.76	25.31
June 12	119.07	84.39	73.91	25.91
June 11	119.38	84.50	73.94	25.93
June 10	119.37	85.02	74.33	26.11
June 9	118.46	84.64	73.65	26.27
Month ago	113.05	82.24	72.38	23.29
Year ago	*87.58	71.70	63.53	16.59
High 1943	119.38	87.04	74.33	26.27
Low 1943	98.88	70.64	63.57	18.14

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Chd.	10 Pprs.	15 Golds
June 15	61.9	77.7	72.4	102.84	63.33
June 14	62.5	78.3	73.1	104.88	63.61
June 12	63.2	78.8	73.8	106.25	63.10
June 11	62.8	79.1	73.6	107.33	63.19
June 10	62.8	79.1	73.6	108.22	62.87
June 9	61.6	78.4	72.8	106.21	62.19
Month ago	57.9	74.6	69.0	94.08	60.03
Year ago	44.1	58.0	53.4	59.11	45.53
High 1943	63.2	79.1	73.8	111.63	66.68
Low 1943	51.8	63.4	59.5	74.07	49.15

Wheat Prices

Winnipeg Grain Futures
Week of June 14, 1943

Crop year from Aug. 1, 1942 High	Low		High for week	Low for week	Close June 14
Wheat					
1.03⅜	.95½	July	1.02⅞	1.00⅛	1.00¾
1.04¼	.96	Oct.	1.04¼	1.01⅞	1.02
1.04⅝	.99⅝	Dec.	1.04⅝	1.02½	1.02⅝
Oats					
.51½	.47⅝	July	.51½	.51½	.51½
.51½	.49⅝	Oct.	.51½	.51½	.51½
.51½	.51½	Dec.	.51½	.51½	.51½
Barley					
.64¾	.62⅝	July	.64¾	.64¾	.64¾
.64¾	.62¾	Oct.	.64¾	.64¾	.64¾
.64¾	.64½	Dec.	.64¾	.64¾	.64¾
Rye					
.89¼	.65	July	.89¼	.88	.88⅝
.90⅝	.70⅛	Oct.	.90⅝	.88½	.89¼
.91⅝	.89	Dec.	.91⅝	.89	.90¼

Cash Quotations

	For Week June 14 High	Low	Prev. Week High	Low
Wheat:				
1 Nor.	1.03⅜	1.01⅜	1.01⅜	.99⅜
2 Nor.	.99¼	.97⅜	.97¾	.96⅜
3 Nor.	.96⅜	.94	.95¼	.93¾
4 Nor.	.91⅛	.88¾	.90½	.88¾
5 Wheat	.86⅞	.85¾	.86¼	.83¾
6 Wheat	.85⅝	.83¼	.85	.82¾
Oats:				
2 C. W.	.51½	.51	.50⅞	.50⅜
3 C. W.	.51½	.49	.50	.49
Barley:				
1 Feed	.64¾	.60¾	.60¾	.60⅜
2 Feed	.64¾	.59¾	.59¾	.59⅜
Rye:				
2 C. W.	.88¾	.87	.87⅝	.86

Dividends Declared

	This payment $	Date payable	Date of record
Agnew Surpass, pf.	1.75	July 2	May 31
Algoma Steel, pf.	2.50	July 1	June 1
Assoc. Brew.	.25	June 30	May 31
Do., pref.	1.75	July 1	May 31
Anglo Huronian	.10	July 22	June 15
Asbestos Corp.	.20	June 30	June 1
Do., bonus	.10	June 30	June 1
Amer. Cyan. A. B	.15	July 1	June 12
Do., pref.	.12½	July 1	June 12
Acme Glove, pfd.	3.25	July 2	June 18
Amal. Electric	.30	July 10	June 10
Bertram & Sons	.15+.05	Aug. 16	July 31
Beath & Son, A.	.80	July 15	July 1
Beatty Bros. A	.25	July 1	June 15
Do., 2nd pref.	3.50	July 1	June 15
Bell Telephone	2	July 15	June 23
Bk. of Nova Scotia	2.50	July 1	June 15
Belding Corticelli	1	July 1	May 31
Do., pref.	1.75	July 1	May 31
Barber Ellis, pfd.	1.75	July 15	June 30
Beattie Gold	.04	June 30	May 12
Bralorne Mines■	.20+.10	July 15	June 26
Brazilian Tr., pfd.	1.50	July 2	June 15
Burlington Steel	.15	July 2	June 10
Blue Top Brew. A	.30	June 30	June 15
B.C. Power (A)	.50	July 15	June 30
Brant. Cordage, pd.	.32½	July 15	June 20
Brit. Am. Oil	.25	July 2	June 4
B.C. El. Pr. & G. p.	1.50	July 1	June 19
Building Prod.	.15	July 1	June 15
B.C. Elec. Rly., p.	2½%	July 15	June 30
Canada Cycle	.30	June 30	June 10
Do., pref.	1.25	June 30	June 10
Canadian Car. pfd.	.53	July 10	June 22
Can. Gen. Elec.	2	July 1	June 12
Can. Machinery	.50	June 28	June 14
Canada Packers	1	July 2	June 1
Can. Steams., pfd.	1.25	July 2	June 4
Can. Cottons	1	July 2	June 4
Do., pref.	1.50	July 2	June 4
Canadn Oil, pfd.	2	July 2	June 18
Cariboo Gold	■.02	July 2	June 8
Canada Cement, pfd.	1.25	June 21	May 26
Canada Bread	.10	July 1	June 10
Do., 1st pref.	1.50	July 1	June 10
Do. (B) pref.	.62½	July 1	June 10
Chartered Trust	1	July 1	June 15
Can. Perm. Mtge.	2	July 2	June 15
Can. Canners	.12½	July 1	June 15
Do., 1st pref.	.25+.05	July 1	June 15
Do., conv. pref.	.15+.05	July 1	June 15
Carnation Co.	†1.00	July 1	June 19
Can. Converters	.50	July 31	June 18
Can. Celanese	.25+.25	June 30	June 15
Do., pref.	1.75	June 30	June 15
Can. Industries A.B.	1.25	July 31	June 30
Do., pref.	1.75	July 15	June 15
Can. Pacific Rly pfd.	2	Aug. 3	June 30
Can. Wallpaper A.B.	‡1	July 21	July 7
Can. Wire Box (A)	.37½	July 1	June 11
Can. For. Invest., pf.	■2	July 1	June 1
Can. Silk Prod.	.37½	June 30	May 31
Can. For. Invest., pf.	■2	July 1	June 1
Can. Malartic Gold	.02	June 30	May 6
Can. Nor. Power	■.15	July 26	June 19
Do., pref.	■1.75	July 15	June 19
Can. Breweries, pf.	.85	July 1	May 15
Do.	.85	Oct. 1	Aug. 16
Can. Westinghouse	■.50	July 1	June 16
Coniaurum Mines	.06	June 30	May 12
Cent. Pat. Gold	.03	June 30	May 31
Crown Trust	1	June 30	June 23
Celanese of Am.	†.50	June 30	June 14
Do., pr. pref.	†1.25	July 1	June 14
Do., 7% pref.	†1.75	July 1	June 14
Do., 2nd pref.	†1.75	July 1	June 14
Central Can. Loan	.2	July 1	June 19
Comm. Alcohols	.05	July 15	June 30
Do., pref.	.10	July 15	June 30
Cons. Bakeries	.20	July 1	June 10
Consumers' Gas	2	July 1	June 15
Cons. Smelters	.50	July 15	June 18
Do., bonus	.75	July 15	June 18
David & Frere, (A)	.25	June 30	June 15
Dunlop Tire, pref.	.62½	June 30	June 15
Deb. & Secs., pfd.	2.50	July 1	June 15
Distillers Seag., pf.	†1.25	Aug. 2	July 15
Dominion Bank	2	Aug. 2	July 15
Dome Mines	■.40	July 30	June 30
Dom. Textile	1.25	July 1	June 4
Do., pref.	1.75	July 15	June 15
Dom. Found., c.	.25+.10	July 2	June 10
Dominion Stores	.10	June 19	May 24
Dominion Glass	1.25	July 15	June 28
Do., pref.	1.75	July 15	June 28
Easy Wash'g pfd.	.17½	July 2	June 16
Do., arrears	.08¾	July 2	June 16
Famous Players	.25	July 3	June 18
Foundation Co.	.35	July 23	June 30
Falconbridge N.	.07½	June 30	May 4
Ford Motor, A, B	.25	June 19	May 29
Fanny Farmer	†.37½	July 1	June 10
Fernie Brew.	.60+.25	July 2	June 15
Freiman A. J., pfd.	1.50	July 1	June 15
Gt. West Life	3.75	July 1	June 19
Gt. West. Sadd. pf.	.75	July 6	June 5
Gatineau Pwr.	.15	June 30	June 1
Do., 5% pref.	1.25	July 1	June 1
Do., 5½% pref.	1.38	July 1	June 1
Guar. of N. Amer.	1.50	July 15	June 30
Do., extra	2.50	July 15	June 30
Goderich Elevator	.25	July 2	June 15
Goodyear Tire	.63	July 2	June 15
Do., pref.	.62½	July 2	June 15
Gt. Lks Pap. A, B, p.	.25	July 2	June 2
Greening Wire	.15	July 1	June 1
Halifax Insurance	.40	July 2	June 10
Hamilton Cotton	.10	July 2	June 15
Do., pref.	.50	July 2	June 15
Ham. Un. Theat., p.	1.25	June 30	June 15
Hard Rock Gold	.03	June 31	May 25
Harding Carpets	.10	July 2	June 17
Hinde & Dauch	.25	July 1	June 5
Hudson's Bay pfd.	2½%	July 1	June 12
Huron & E. Mtge.	1	July 1	June 15
Honey Dew	.50	July 1	June 15
Hudson Bay M.	1	June 28	May 28
H. Smith Paper, p.	1.50	July 20	June 30
Hydro El. Secs. B pf.	.25	Aug. 2	June 30
Imperial Bank	2	Aug. 2	June 30
Indust. Accept., pfd.	1.25	June 30	June 15
Indust. Mortgage	1	July 2	June 15
Intercol. Coal	2	July 2	June 19
Do., pref	4	July 2	June 19
Intern. Holdings	.50	Aug. 16	July 15
Inter. Milling, pf.	†1.25	July 15	June 25
Inter. Nickel, c.	■.50	June 30	June 1
Inter. Nickel, pfd.	†1.75	Aug. 2	July 6
Inter. Paper, pfd.	†1.25	June 30	June 18
Imperial Tob. ord.	.10	June 30	May 28
Invest. Found.	.75	July 15	June 15
Inter. C. Baking	1.50	June 30	June 15
Inter. Bronze	■.20	July 15	June 15
Do., pref.	■.37½	July 15	June 15
Inter. Pwr., pref.	1.75	July 1	June 10
Jam. Pub. Serv.	.17	July 2	May 31
Do., pref.	1.75	July 2	May 31
Kerr Addison	.07	June 29	June 1
Lang, J. A.	.17½	July 2	June 10
Langley's pref.	■.50	Sep. 11	Sep. 3
Do.	■.50	Dec. 11	Dec. 3
Landed Banking	1	July 1	June 15
Lambton Loan	1	July 2	June 15
Levy Bros.	.10	Aug. 2	June 28
Marcus Loew's, pf.	1.75	June 30	June 15
Midland Loan	.40	July 1	June 15
Mitchell Robt.	1	June 30	June 10
Maritime Tel.	.17½	July 15	June 19
Do., pref.	.17½	July 15	June 19
McColl-Front., pfd.	1.50	July 15	June 30
Model Oils	.02	June 19	May 22
Melchers Dist. pfd.	.30	June 30	May 31
Modern Containers	.30	July 2	June 20
Do., pref.	1.37½	July 2	June 20
Monarch Life	6%	July 2	June 16
Moneta Porc.	.02	July 15	June 22
Mtl. C. & D. Bank	3+1	July 1	June 15
Montreal Teleg.	.48	July 15	June 15
Moore Corp.	.55½	July 1	June 10
Do., A, B, pref.	†1.75	July 1	June 10
Murphy Paint	.20	July 1	June 15
Do., pref.	1.37½	July 1	June 15
National Grocers	■.40	July 1	June 1
Do., pref.	.37½	July 1	June 1
National Brew.	.50	July 1	June 2
Do., pref.	.44	July 1	June 2
Nat. Steel Car	1	July 15	June 15
Natl. Trust	2	July 2	June 19
Niag. W. Weav.	.25	July 2	June 16
N.S. Light & Pr. ord.	1.50	July 1	June 15
North Star Oil pf.	.08¾	July 2	June 15
Nor. Ont. Pwr.	.12	July 26	June 30
Do., pref.	1.50	July 26	June 30
Ont. Loan & Deb.	1.25	July 2	June 15
Ottawa L. H. & Pr.	.15	July 1	May 10
Do., pref.	1.25	July 1	May 10
Ogilvie Flour	.25	July 1	May 28
Ont. Steel Prod.	.25	Aug. 16	July 16
Do., pref.	1.75	Aug. 16	July 16
Ottawa El. Rly.	.50	July 1	June 1
Page Hersey	1.25	July 1	June 15
Perron Gold	■.02	June 30	May 31
Pickle Crow	.05	June 30	May 31
Power Corp.	■.15	June 30	June 10
Do., pref.	■1.50	July 15	June 19
Do., 2nd pref.	■.75	July 15	June 19
Preston E. Dome	.05	July 15	June 15
Price Bros., pfd.	1.37½	July 1	May 31
Pend Oreille M.	†.06	July 28	June 28
Proprietary Mines	.07	July 7	June 4
Porto Rico Pr, pfd.	1.75	July 1	June 10
Premier Gold	.01½	July 15	June 15
Real Est. Loan	1	July 2	June 17
Riverside Silk	.50	July 2	June 12
Regent Knit., pfd.	.40	Sept. 1	Aug. 2
Do.,	.40	Dec. 1	Nov. 2
Russell Indust.	.20	June 30	June 10
Do., pref.	1.75	June 30	June 10
Sigma Mines	■.30	July 28	June 28
Sheep Creek G.	.04	July 15	June 30
Sherritt Gordon	.03	June 30	May 14
Sherwin-Wms. pf.	1.75	July 2	June 10
Do., com.	.15	Aug. 1	July 10
Simpsons, pfd.	1.62½	Aug. 2	June 30
Simon & Sons	.15	June 30	June 8
Do., pref.	1.75	June 30	June 8
South Can. Pwr.	■.20	Aug. 16	July 20
Do., pref.	■1.50	July 15	June 19
Sylvanite Gold	.03	July 15	May 25
Stedman Bros.	.15	July 1	June 20
Do., pref.	.75	July 1	June 20
Securities Holding, p.	.75	June 30	June 16
Stand. Chemical	1.25	July 31	June 30
Stand. Fuel, pfd.	1	July 1	June 15
Do., arrears	1	July 1	June 15
Standard Radio, A.B.	.10	July 10	June 21
Sterling Trusts	1.50	July 2	June 19
Sullivan Cons.	.02½	July 15	June 15
Sun Life Assur.	3.25	July 1	June 15
Supersilk H., pfd.	2.50	July 2	June 18
Supertest P. c. ord.	.50	July 2	June 18
Do., B pref.	.75	July 2	June 18
Tip Top Tailors	.07½	July 1	June 1
Do., pref.	1.75	July 1	June 1
Tamblyn	.20	July 1	June 11
Do., pref.	.62½	July 1	June 11

DIVIDEND NOTICES

Imperial Bank of Canada

DIVIDEND NO. 212

Notice is hereby given that a Dividend of two per cent (2%) has been declared for the quarter ending 31st July, 1943, payable at the Head Office and Branches on and after Monday, the 2nd day of August next, to shareholders of record of 30th June, 1943.

By order of the Board.

H. T. JAFFRAY, General Manager.

Toronto, 9th June, 1943.

NOTICE OF DIVIDEND

Famous Players Canadian Corporation Limited

NOTICE is hereby given that a dividend of Twenty-five Cents (25c) per share has been declared on all issued common shares of the Company without nominal or par value, payable on Saturday, the 3rd day of July, 1943, to shareholders of record, Friday, the 18th day of June, 1943.

By Order of the Board.

N. G. BARROW, Secretary.

TORONTO, June 9th, 1943.

Canadian Breweries Limited

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a dividend of eighty-five cents (85c) per share on the Cumulative Sinking Fund Convertible Preference Shares without nominal or par value in the Capital Stock of the Company has been declared payable on the 1st day of October, 1943, to Shareholders of record at the close of business on the 16th day of August, 1943.

By order of the Board.

W. C. BUTLER, Secretary.

Toronto, Ontario. June 11th, 1943.

Moneta Porcupine Mines Limited

(No Personal Liability)

DIVIDEND NO. 20.

NOTICE is hereby given that a dividend of two cents per share has been declared by the Directors of Moneta Porcupine Mines Limited (No Personal Liability) payable in Canadian funds on July 15th, 1943, to Shareholders of record June 22nd, 1943.

By order of the Board.

H. B. CLEARIHUE, Secretary-Treasurer.

Toronto, Ontario, June 11th, 1943.

THE B. GREENING WIRE COMPANY, LIMITED

Common Dividend No. 23

NOTICE IS HEREBY GIVEN that at a meeting of the Directors of The B. Greening Wire Company, Limited, held in the office of the Company on May 31st, 1943, a dividend of Fifteen cents per share on the Common Shares of the Company was declared payable July 1st, 1943, to shareholders of record June 1st, 1943.

F. J. MAW, Secretary.

Hamilton, Ont., May 31st, 1943.

Provincial Paper Limited

Notice is hereby given that Regular Quarterly Dividend Notice of 1¾% on Preferred Stock has been declared by PROVINCIAL PAPER LIMITED, payable July 2nd, 1943, to Shareholders of record at close of business June 15th, 1943.

W. S. BARBER, Secretary-Treasurer.

Toronto, Ontario.

The John Bertram & Sons Company, Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of 15c per share, and an extra 5c per share, has been declared on the outstanding common stock of the Company, payable August 16th, to shareholders on record July 31, 1943.

By Order of the Board.

J. T. ROSS, Secretary.

Dundas, Ontario, June 11, 1943.

"SUPERTEST" Petroleum Corporation Limited

NOTICE OF DIVIDENDS

"B" PREFERRED

A half-yearly dividend at the rate of 6% per annum on the Class "B" Preferred stock of this Corporation for the half-year ending June 30th, 1943, has been declared, payable July 2, 1943, to shareholders on record at the close of business June 18, 1943.

COMMON AND ORDINARY

The Board of Directors has declared a half-yearly dividend of 50c per share on the Common and Ordinary stocks of this Corporation for the half-year ending June 30, 1943, payable July 2, 1943, to shareholders on record at the close of business June 18, 1943.

SHARE WARRANTS

Share Warrant holders will present coupons, serial number 47, to the Canadian Bank of Commerce, London, Ontario, and branches in Ontario and Quebec, on and after July 2, 1943, where payment will be made at par.

By Order of the Board.

JAMES D. GOOD, Secretary-Treasurer.

London, Ontario, June 7, 1943.

Dividends Declared (Cont.)

Tor. Gen. Trusts	1	July 2	June 12
Toronto Mortgage	1.25	July 1	June 15
Traders Fin., pfd.	1.50	July 1	June 15
Tuckett Tob., pf.	1.75	July 15	June 30
Twin C. Rapid, p.	†2.50	July 1	June 26
United Corp. (A)	.38	Aug. 16	July 15
United Fuel, p (A)	.75	July 1	June 10
Viau, pref.	1.25	July 1	June 19
Ventures	■.10	July 2	June 10
Vulcan Br. Pete.	.01	June 15*	June 4
West Koot. Pr., p.	1.75	July 2	June 21
Western Assur. pfd.	1.20	July 2	June 30
Western Grocers	.75	July 15	June 15
Do., pref.	1.75	July 15	June 15
Wabasso Cotton	1	July 1	June 15
Walkerville Brew.	■.05	June 29	June 15
Wr. Hargreaves	.07½	July 2	May 27
Weston, Geo., c.	.25	July 2	June 5
Wilsil	.25	July 1	June 1

†N. Y. funds. ■Subject to approval of Foreign Exchange Control Board. ▲On arrears.
•Net after deducting corporate income tax.
‡Subject to shareholders approval, June 30, 1943.

Winnipeg Grain

Market Takes Heavy Deliveries

Demand for Feeds from U. S. Big Factor in Supply

From Our Own Correspondent

WINNIPEG.—Although the wheat market has not maintained the gains of last week, it must still be regarded as making a good show of strength in view of the rate at which it has been absorbing offerings resulting from heavy daily deliveries by farmers. These have been running up to and sometimes exceeding a million and a half bushels daily.

Some of the buying is believed to be connected with further anticipated takings of Canadian wheat for feeding purposes by the United States. Conceivably some of the transactions may be on the part of houses which expect at a later date to make sales to the Commodity Credit Corp., the agency through which the United States Government acquires Canadian wheat. Alternatively, it is supposed by some observers that they represent actual purchases authorized by and for account of the Commodity Credit Corp.

British Buy Outside Market

It is also widely believed that some of the buying has been on account of the British Cereals Import Board. Formerly that body made its purchases of wheat futures direct from the Canadian Wheat Board, outside of the market, and at negotiated, instead of at market, prices. If some of the British buying is now done in the market, it is doubtless in order that farmers now delivering grain may participate in furnishing supplies required by Britain, instead of these being furnished exclusively from deliveries formerly made to the wheat board. If the agencies of the Governments of Great Britain and of the United States have been in the market, it would appear that their buying has not been reduced to the same regularity that characterizes new deliveries by farmers, for on some days the demand has been insistent for large quantities, and on others has seemed to fall off considerably.

Wheat for the U. S.

Prospective need of the United States for feed grains from Canada are large, and sales of wheat and coarse grains for this purpose are apparently limited only by difficulties of transportation. Freight space on the Great Lakes has recently been assigned exclusively to the movement of wheat required for domestic milling or for export to Great Britain. Evidently the authorities desire to keep eastern elevators well filled with wheat, in order to have plenty on hand for prompt shipment whenever ocean freight space is available.

A considerable number of railway cars, however, continue to be loaded at western country elevators for direct shipment of oats and barley to destinations in the United States.

U. S. Prices Advance

Prices of these grains south of the border have been advancing, largely because of the continued reluctance of farmers holding corn to offer it for sale. That is influenced partly by their own programs for livestock feeding, and partly by a feeling that corn prices for the coming crop year may be allowed to advance if the corn crop of 1943 proves to be small. It is not expected to be large, because of delayed seeding over a large part of the corn belt states.

The Canadian Wheat Board has been charging as high as 15 cents a bushel as equalization fee for permits to export oats, and up to 22 cents a bushel for barley. There is no proof that a very large business could be transacted under such charges, but some business continues to move, perhaps as much as can be physically moved at the present time.

Western Crop Good

The western grain crop appears to be doing reasonably well in spite of cool weather. While Manitoba has been generously supplied with moisture, there were until the past few days considerable areas in both Manitoba and Saskatchewan where, up to the past few days, deficiency in rainfall was noticed. Now most of the country is in good condition so far as moisture is concerned. On the whole the weather is regarded as having been favorable for wheat, and somewhat less so with respect to oats and barley. Some of the latter grains are still to be seeded, mainly in areas where there has been so much rainfall as to interrupt operations before seeding was completed.

The railways have been stepping up their loading of grain cars at country points, with over 1,000 cars daily. Last week they succeeded in forwarding nine million bushels of wheat. Quite evidently the Canadian wheat is endeavoring to govern the allocation of cars to different points to make it possible for every farmer to complete his authorized deliveries of 15 bushels of wheat per acre before July 31. On that basis nearly 60 million bushels of wheat are yet to be delivered, and if the objective is accomplished it will be without very much margin to spare.

Visible stocks of Canadian wheat declined last week to less than 400 million bushels, and to a level approximately 15 million bushels less than that prevailing a year ago. The figures suggest that there has been a close correspondence between the quantities of wheat delivered by farmers, and the total of domestic consumption and exports so far this year. This year's wheat carry-over will be decidedly greater than that at the end of last July, but apparently the excess will be mainly, if not entirely, on the farms of western Canada.

DIVIDEND NOTICES

DIVIDEND

Chartered Trust and Executor Company

NOTICE is hereby given that a dividend of 1% has been declared on the paid-up Capital Stock of Chartered Trust and Executor Company for the quarter ending June 30th, 1943, payable July 1st, 1943, to shareholders of record at the close of business June 15th, 1943.

By Order of the Board.

E. W. McNEILL, Secretary.

Dated at Toronto, May 20th, 1943.

The Toronto Mortgage Company

Quarterly Dividend

Notice is hereby given that a dividend of $1.25 per share, upon the paid-up Capital Stock of this Company, has been declared for the current Quarter and that the same will be payable on and after

1st July, 1943

to Shareholders of record on the books of the Company at the close of business on 15th instant.

By Order of the Board,

WALTER GILLESPIE, Manager

3rd June, 1943.

The Sherwin - Williams Company of Canada, Limited

NOTICE IS HEREBY GIVEN that the one hundred and twenty-eighth quarterly dividend of one and three-quarters per cent (1¾%), being at the rate of seven per cent. (7%) per annum for the quarter ending May 31, 1943, on the Preferred Stock of the Company has been declared payable to Shareholders of record the 10th day of June, 1943, and that cheques will be mailed July 2, 1943.

Books not closed.

By Order of the Board.

P. W. HOLLINGWORTH, Secretary-Treasurer.

Montreal, Quebec. April 8, 1943.

SIMPSONS, LIMITED

Preference Dividend No. 51

NOTICE is hereby given that a Divident of One dollar and sixty-two and one-half cents ($1.62½) per share on the Outstanding Paid-up Six and one-half per cent (6½%) Cumulative Preference Shares of the Company has been declared payable August 2, 1943 to shareholders of record as at the close of business on June 30, 1943. The transfer books will not be closed.

By Order of the Board.

Frank Hay, Secretary

Toronto, June 11, 1943.

Sheep Creek Gold Mines Limited

(Non-Personal Liability)

Notice of Dividend No. 29

Notice is hereby given that a Quarterly Dividend of four cents per share has been declared on the paid-up Capital Stock of the Company, payable on the 15th day of July, 1943, to shareholders of record at the close of business on the 30th day of June, 1943.

Persons holding certificates not registered in their name, commonly known as "street" certificates, should have them registered in their name by the Company's transfer agents, Prudential Trust Company Limited, at their office, 475 Howe Street, Vancouver, B.C., or at their office, 217 Bay Street, Toronto, Ontario, on or before 30th June next.

By Order of the Board.

JAMES ANDERSON, Secretary.

Vancouver, B.C., June 10th, 1943.

The Dominion Bank

Dividend No. 243

Notice is hereby given that a dividend of two per cent upon the paid up capital stock of this Institution has been declared for the quarter ending 31st July, 1943. The dividend will be payable at the Head Office of the Bank and its Branches on and after Monday, the second day of August, 1943, to shareholders of record of the 15th July, 1943.

By Order of the Board.

ROBERT RAE, General Manager.

Toronto, 10th June, 1943.

The Business Of Farming

By GORDON L. SMITH

With seeding practically completed right across Canada, outcome of this year's crops, now depends largely on the weather, provided, of course, enough labor and machinery can be made available for harvesting. Generally speaking, while there has been recent improvement, the weather has been far from favorable throughout the greater part of Canada.

There has been too much rain in most sections and seeding was greatly delayed almost everywhere. A period of warm and fairly dry weather is now needed for bringing growing crops along. A really dry spell, however, would be almost disastrous, except for haying. It may sound unreasonable to a city reader, but once the growing season turns really wet, then more than average moisture will be needed right through because saturated soil bakes hard so easily and checks growth.

* * *

Modify Sugar Ration?

Wisely in the opinion of most farmers the authorities quickly modified earlier proposals that farmers would get the same treatment as city people in regard to meat rationing. Now those farmers who were in the habit of slaughtering some of their own meat will be allowed to continue. It is claimed that this is a practical and sensible proposal in a country so preponderantly agricultural, and where much farm meat can often be raised on feed that might otherwise go to waste.

In some quarters it is hoped that some special farmer revision of sugar rationing will also be authorized and on somewhat similar grounds.

At first glance it is admitted a uniform sugar ration for all concerned seems the fairest and most practical plan. But farmers where some fruit is grown, and this means almost all of Canada, argue that rigidly uniform sugar rationing is not economical. They urge that more sugar be allowed, especially for canning.

Many farmers, they state, depend almost entirely for their winter fruit on their own jams, jellies and preserves, made from their home grown berries and other fruits. Without the extra sugar, much of this stuff, it is said, is going to be wasted, especially in those very large sections of Canada where no canning factories are available. By allowing more sugar, this produce would be utilized and there would be less competition from farmers for the limited amount of commercial canned fruits available for the civilian population next winter.

* * *

Grain Carryover Going Fast?

Competent observers have been amazed at the way accumulated grain stocks have disappeared in the United States in the last 18 months. They think, when the facts are known, a corresponding disappearance will have been discovered in Canada. Many of them predict that our huge carryover of wheat and other grains will have been used up by 1945 and perhaps earlier if grain crops are only fair this year.

A very large proportion of American grain has gone into livestock feeding and probably much more than expected has been similarly utilized on Canadian farms.

The authorities, of course, are never able to make a really accurate check of the amount of grain in farm storage. Usually it does not matter because before long the bulk of this in the main grain belts comes out and goes through the regular elevator system where it is measured and enters the official "visible." In recent years, however, conditions in both the United States and Canada have not been normal. Due to elevator congestion a rigid limit was put on grain deliveries with the surplus held in farm storage. Much of such grain has been fed to the sharply increasing hog, cattle and poultry populations of the continent but just how much nobody knows exactly. In the U. S., at least, where the wheat and other grain carryover was relatively much lighter than in Canada, many farm bins have been emptied via the feed trough and big imports from this country are scheduled.

* * *

Prairie Revenue

Based on actual farm revenue of the first ten months of the crop year which ends July 31, this looks like the second best year in history for prairie farmers. Total returns should be in the neighborhood of $450 millions, which would be 40% better than for 1941-42 but at least $75 millions below 1928-29.

These estimates indicate the substantial agricultural recovery of the Prairie Provinces—the 15-year average return was $280 millions—but also the fact that there is yet no record prosperity. The big difference between the present crop year and that of 1928-29, of course, is due to wheat prices. In the first period there was, like last fall, a huge crop of wheat harvested but the average price then was around $1.25 per bushel. This compares with less than a dollar during most of this year.

* * *

Farm Sizes

One third of the farms in eastern Canada are in the 50-100 acre class. In Ontario and Quebec there are almost as many more in the 100-200 acre group with about a fifth of less than 50 acres in size. In the Maritime Provinces, however, there are more farms of less than 50 acres than between 100 and 200 and in British Columbia under 50 acres is the most popular size.

In the Prairie Provinces acreages run much larger. The most common size is 100-200 acres, the next 400-500 and next 500-600. In these three groups fall almost three quarters of the total prairie holdings. There are over 20,000 farms in Saskatchewan of 500 acres each.

DIVIDEND NOTICES

BRALORNE MINES

Limited

(Non-Personal Liability)

DIVIDEND NO. 35

NOTICE is hereby given that a Quarterly Dividend of 20 cents per share and an Extra Dividend of 10 cents per share have, subject to the approval of the Foreign Exchange Control Board, been declared on the paid-up capital stock of the Company, payable on the 15th day of July, 1943 to shareholders of record as of June 26th, 1943.

By order of the Board

RONALD GRACE, Secretary-Treasurer

Vancouver, B.C. June 7th, 1943.

The Consolidated Mining and Smelting Company of Canada Limited

DIVIDEND NO. 76

NOTICE IS HEREBY GIVEN that a Dividend of 50c per share on the paid up Capital Stock of the Company for the six months ending June 30th, 1943, with a bonus of 75c per share, has this day been declared payable on the 15th day of July, 1943, to shareholders of record at the close of business on the 18th day of June, 1943.

BY ORDER OF THE BOARD.

J. E. RILEY, Secretary.

Montreal, P.Q., June 14th, 1943.

More Cotton For Civilians

Blair Gordon Gives Views on Company's Postwar Outlook

From Our Own Correspondent

MONTREAL.—A larger percentage share of the total output of cotton goods will be available for civilian consumption, but in view of the drop in production and the smaller output per worker, the quantity available will not be appreciably larger, Blair Gordon, president, told shareholders of Dominion Textile Co. at the annual meeting.

Enlarging upon this, Mr. Gordon said that a special textile and leather control committee had been set up recently, under the chairmanship of Donald Gordon, head of the Wartime Prices and Trade Board, to act as an umpire between services and civilian demands for output. This committee decided a larger percentage of cotton output is to be made available for civilian use.

Views on Postwar

Discussing tariffs, Mr. Gordon pointed out that the last vestige of a tariff on cotton goods from England disappeared three years ago, presumably never to return. "There are still duties on U. S. cotton goods," he added, "but it would seem that we must adjust ourselves to the idea that these too may be practically removed.

"The future business for us after the war is a very interesting one in that almost anything may happen, but your company stands a good chance to survive as a corporate enterprise, although we may have to effect very radical changes in our setup to adapt to the surrounding conditions. In the meantime we can only plan on an if, as and when basis, bearing in mind Macaulay's remark—'Nothing is so galling to the people, not broken in from birth, as a meddling government, a government which tells them what to read, to think, to eat, to drink, to wear.'"

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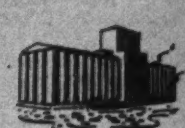
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POLICYHOLDERS' SECURITY STRENGTHENED

Sixty-Second Annual Report

REVENUE ACCOUNT

Premiums — (Fire, Accident, General)		$34,043,320
Interest and Rents		800,045
		$34,843,365

BALANCE SHEET — 31st December, 1942

ASSETS

Government, Provincial and Municipal Securities		$35,862,160
Stocks and Other Debentures		9,089,595
(Market Value 31st December, 1942 $52,561,775)		$44,951,755
Cash in hand and on deposit		4,385,330
Branch and Agency Balance		7,947,065
Amounts due from other Companies		555,530
Interest and Rents Accrued		207,850
		$58,047,530
Shares of Companies Controlled		2,461,440
House Property and Corporation Offices, less depreciation		5,418,100
		$65,927,070

LIABILITIES

Insurance Funds		$12,464,265
Reserve for Outstanding Claims (Estimated)		24,293,690
Sundry Creditors, including Outstanding and Accruing Expenses		8,165,575
Provision for Final Dividend, 1942		400,000
Amounts due to Agents and Other Companies		1,368,525
		$46,692,055
INVESTMENT RESERVE		2,000,000
SURPLUS AND CAPITAL:		
General Reserve	$12,500,000	
Balance Appropriation Account	2,811,155	
	$15,311,155	
Capital Paid Up	1,923,860	17,235,015
		$65,927,070

The Funds of the Corporation and its Associated Companies at 31st December, 1942, in the aggregate exceed $108,000,000 ($5 taken as equivalent of £1 Sterling)

THE EMPLOYERS' LIABILITY ASSURANCE CORPORATION LIMITED
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N. G. Reid, Manager for Ontario John Fanning, Asst. Manager for Ontario
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Fire and Casualty Insurance

East. Dairies Plans Capital Revisions

Seeks to Merge Operating Units Under Name of Dominion Dairies

From Our Own Correspondent

MONTREAL. — Bond and stockholders of Eastern Dairies Ltd. and Acme Farmers Dairy Ltd. will meet shortly to consider a plan of reorganization which involves consolidating under the name of Dominion Dairies Ltd. the assets of Eastern, Acme Farmers, Producers of Ottawa and Elmhurst of Montreal.

Crescent Creamery, of Winnipeg, owned by Eastern, is not involved in the scheme, interest in that organization being carried by the new company as an investment, and the earnings will be rated as investment income.

Under the existing setup Eastern Dairies Ltd. has outstanding $2,479,500 of 6% collateral trust bonds, due 1949, payable in Canadian and U. S. funds and Sterling, on which sinking fund payments have not been met since May 1, 1942. Eastern last reported $2,433,000 of bonds outstanding. The difference of $46,500 represents bonds once held by Crescent and since sold to the public.

Under the plan Dominion Dairies 6% first mortgage bonds would be exchanged for those of Eastern par for par. The new bonds are payable in Canadian funds only. Furthermore, the call premium has been reduced, as also the sinking fund provisions.

Eastern Stock Treatment

Holders of Eastern Dairies preferred, which is in arrears since the beginning of 1933, will receive 1 new preferred share and 3 new no par value common shares for each present share held or 25,000 preferred and 75,000 shares of common, of Dominion Dairies.

Eastern Dairies' common stockholders will receive 3 new shares for every 20 shares held, or 14,922 for their holdings of 99,020 shares.

Acme Preferred Offer

In the case of Acme Farmers, only the preferred is in the hands of the public. In exchange for the 6,540 shares issued, of which 568 are held by Crescent, Dominion Dairies will issue $75 principal amount of new general mortgage 6% bonds, due 1957, 1½ common shares and $25 in cash for each share of preferred. Thus the holders will receive $490,500 of general mortgage bonds; $163,500 in cash and 9,810 common shares.

The new preferred stock is non-cumulative and can be called in whole or in part or purchases made on the open market.

The reorganization plan does not include a pro forma financial statement, nor the 1942-43 report of Eastern Dairies.

New Capital Structure

The proposed capital structure of Dominion Dairies follows:

	Authorized	To be Issued
1st mtge. 6% bonds, due 1957	$3,000,000	$2,479,500
Gen. mtge. 6% bonds, due Nov. 1, 1957	490,500	490,500
Non-cum. 6% pref., $25 par value	40,000 sh.	25,000 sh.
Common stock, n.p.v.	150,000 sh.	99,738 sh.

Reduce Annual Charges

Annual charges of the new company are set out below:

Annual Charges of New Company	
First mortgage bonds int.	$148,770
General mortgage bonds int.	29,430
Total fixed charges	$178,200
6% non-cum. pref., $1.50 div.	37,500

Under the present setup annual charges on bonds and preferred stock in the hands of the public total $369,550.

ACCOUNTANCY
AND ALLIED SUBJECTS
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Company Reports

Canadian Vickers

Though operations of Canadian Vickers Ltd. continued at capacity during the year ended Feb. 28, 1943, operating profit of $3.5 millions compared with just under $4.4 millions the year before. Following provision for senior charges, including larger depreciation, net profits were equivalent to $7.68 a share on the common stock, as against $12.45 in 1941-42. Refundable portion of the E. P. T. last year amounted to about $4 a share.

Net working capital recorded a moderate gain last year. Several major changes occurred in the balance sheet and are noted below.

In his report J. E. Labelle, president, says the volume of orders on hand is the greatest in the company's history. No details are given, but the balance sheet shows work in progress at $38.4 millions, as against $16 millions the year before.

Income, Surplus—Years Ended Feb. 28	1943	1942
Operating profit	$3,545,888	$4,391,578
Add: Other income	26,574	2,102
Total revenue	3,572,462	4,393,680
Less: Bond interest	204,117	171,360
Depreciation	1,061,354	742,522
Directors' fees	3,665	4,700
Tax provision	*1,701,379	2,300,000
Loss on assets	55,018	......
Bad debt reserve	......	375,000
Net profit	546,947	800,098
Less: Prev. deficit	601,454	1,248,550
Add: Tax adjust.	5,039	
Tax 1940-41	......	131,726
Adjustments	26,419	21,276
Deficit forward	85,966	601,454
*Refundable portion $218,230.		
Earned per Share	$7.68	$12.45
Working capital	$2,307,507	$2,194,809
Balance Sheet Changes		
Govt. bonds	$150,000	......
Accts. receivable	4,039,942	$3,283,384
Work in progress	2,087,054	2,087,312
Inventory	5,438,135	2,335,480
Fixed assets	7,940,964	7,457,107
Bank loan	1,332,075	985,587
Accts. payable	4,289,539	2,349,785

Inter. Petroleum

Earnings of International Petroleum Co. in 1942 were equal to 93.7 cents a share U. S. funds against $1.23 in 1941. After dividends of $1 a share Canadian funds in 1942, the same as in 1941, and a surplus adjustment of $1.4 millions for income tax, surplus forward of $21.20 millions at Dec. 31, 1942, was approximately $700,000 lower than a year previous. The company reports earnings in U. S. funds and pays dividends in Canadian funds, the premium being sufficient to permit coverage of the $1 dividend.

Working capital at the end of 1942, however, showed an increase of approximately $3.4 millions to $40.7 millions.

Fixed assets of $84.2 millions at the end of 1942 represented a decrease of over $2 millions. While the book values of both land and equipment and concession rights showed increases these were more than offset by allowances for depreciation, depletion and amortization in each instance.

Total purchase obligations at $7 millions at the end of 1942 show a reduction of approximately $700,000 from the end of the previous year. These obligations are payable on a per barrel production basis and the company has a contingent liability for a similar amount under conditions of the original purchase of certain Venezuela interests.

Consol. Income & Surplus Account Years Ended Dec. 31	1942 $(U.S.)	1941 $(U.S.)
Operat. profit*	20,742,218	31,035,689
Less: Legal fees & sals.	365,438	339,842
Deprec. & depletion	4,439,251	6,301,890
Amortization	2,497,346	5,217,510
W/o props. aband.	442,308	845,681
Net oper. profit	12,997,875	18,330,766
Add: Invest. income	668,105	895,841
Less: Invest. w/d	......	462,989
Conting. provision	......	722,935
Minority interest	54,155	182,058
Net profit	13,611,825	17,858,625
Less: Pref. divids.	181,818	181,818
Common dividends	13,021,898	13,021,898
Surplus for year	408,109	4,654,909
Add: Prev. surplus	21,932,444	16,713,849
Deprec. adjustment.	299,722	978,338
Less: Inc. tax adjust.	1,433,511	......
Inventory adjust.	......	414,652
Surplus forward	21,206,764	21,932,444
*After income taxes	2,555,906	4,947,510
Earned per share:		
Pref. & common	$0.937 U.S.	$1.23 U.S.
Paid	1.00 Can.	1.00 Can.
Working capital	40,711,748	37,358,046
Balance Sheet Changes	$(U.S.)	$(U.S.)
Cash*	25,826,010	28,234,130
Receivables (net)	6,875,746	6,857,979
Inventories	13,979,558	12,389,600
Deferred receivables	4,007,874	4,815,008
Purchase obligations:		
Due next year	638,750	1,700,352
Due by Dec. 15/45	6,386,048	6,071,078

*Includes South American currency converted at $4.3 millions in 1942 and $6 millions for 1941 not at present available in dollars owing to exchange regulations.

Wood, Alexander

Although operating profits dropped nearly $80,000 on the year and net profit was substantially lower, Wood, Alexander & James, Ltd., Hamilton, covered preferred dividends by a comfortable margin and reduced funded debt $29,500 in the year to Jan. 31, 1943. Balance of the bonds, $33,500, is to be redeemed this year.

W. H. Cooper, president, commented on the difficulty of producing certain lines for the company's wholesale hardware business, but stated directors look to the future with confidence.

Income, Surplus—Years Ended Jan. 31	1943	1942
Operating profit	$219,151	$298,888
Less: Exec. remun.	25,988	25,647
Directors' fees	600	600
Depreciation	19,600	26,107
Interest	3,185	4,921
Income & E. P. taxes	111,131	160,300
Investment loss	1,506	......
Net profit	52,141	81,313
Less: Pref. divds.	45,500	45,500
Surplus for year	11,641	35,813
Ad: Prev. surplus	118,489	82,676
Earned surplus forw'd	130,130	118,489
Earned per share:		
1st Preferred	$8.79	$12.51
Paid	7.00	7.00
2nd Preferred	5.48	16.86
Common	nil	3.22
Working capital	$631,064	$628,875

Commercial Alcohols

Commercial Alcohols Ltd. reports a 50% falling off in net profits in the year ended Mar. 31, 1943, with common share earnings amounting to 22 cents, as against 35 cents the year before.

Net working capital declined sharply due to heavy investment in plant. During the year the plant was converted from molasses to a grain alcohol unit, which explains the drop in income. This necessitated new buildings and equipment, on which the company spent $261,281.

In his report to shareholders, C. G. Kertland, president, says these changes were made as far as possible while plant was operating, but due to the fact that supplies of molasses were exhausted before the new plant was ready, it was necessary to purchase alcohol from another distillery to keep customers supplied. The additions made increased capacity of the plant by a little over 50%, which is all being used for war work.

Income, Surplus—Years Ended March 31	1943	1942
Total earnings	$191,162	$260,497
Less: Exec. remun.	15,300	15,215
Directors' fees	3,775	3,085
Legal fees	40	363
Depreciation	43,427	34,223
Income & E. P. tax.	64,920	117,500
Net profit	63,700	90,111
Less: Pref. divds.	20,000	20,000
Common divds.	40,103	39,338
Surplus for year	3,597	30,773
Add: Prev. surplus	186,985	156,212
Earned surplus forw'd	190,582	186,985
Earned per sh.	$0.22	$0.35
Working capital	$105,562	$323,132
Balance Sheet Changes		
Cash	$7,888	$212,241
Investments	......	80,000
Accts. receivable	195,355	54,682
Inventories	135,691	138,109
Bank loans	90,000	......
Fixed assets	669,954	408,673

Mexican Light

Increased consumption of electrical energy chiefly accounted for a 1942 improvement in gross earnings of the Mexican Light & Power Co., G. R. G. Conway, president, states in the annual report. Increased tariffs on power supply also improved the company's position over the year but a 10% general increase in wages has been necessary.

During 1942 $1.5 million was expended on the completion of work in progress at the end of 1941. Retirements representing an original cost of $536,268 made the net increase in the property account of the company and its subsidiaries approximately $1 million.

Efforts continued to prevent current thefts, and as a result a further reduction in power lost was noted in 1942, at 25.9% as compared with 28.9% in the previous year. A large number of customers, due to war shortages, are connected without meters.

Profit, Loss—Years Ended Dec. 31	1942	1941
Gross oper. earnings	$11,405,194	$9,887,766
Less: Oper. expenses.	6,364,016	5,518,524
Depreciation	1,584,864	1,584,860
Doubtful accounts	597,941	879,554
Head office exps.	134,956	148,462
Net income	2,723,417	1,756,366
Add: Invest. income	63,768	34,530
Less: Bond int. & s.f.	2,263,449	2,463,895
Profit on year	523,736	*672,998
Less: Prev. deficit	6,635,776	5,848,778
Re-organiz. exps.	......	114,000
Deficit forward	6,112,040	6,635,776

*Deficit.

HEADS TRANSIT MEN — Arthur Duperron, assistant general manager of Montreal Tramways Co., who has been re-elected president of the Canadian Transit Association.

Levy Brothers

Operations in the first four months of 1943 have been above normal, states Herman H. Levy, president of Levy Brothers, Ltd., in the annual report for the year ended Jan. 31, 1943. The firm carries on a wholesale and manufacturing jewellery business from Hamilton.

"It is apparent," the report states, "that future results of operations cannot exceed that of the year under review until such a time as legislation is altered. The incentive to do business is lacking because there is no financial reason for taking risks."

In 1942 the company's inventory increased by $40,000 despite the difficulty of obtaining supplies. The cash position has been well maintained, and Mr. Levy states that, provided there are no greater problems in obtaining supplies than there have been in the past, the outlook for the balance of 1943 is favorable.

Income, Surplus—Years Ended Jan. 31	1943	1942
Operating profit	$259,827	$254,403
Add: Other income	3,763	8,578
Total earnings	263,590	262,981
Less: Sell., adm. exp.	126,659	162,187
Int., disc. & exch.	29,195	23,264
Income, E. P. taxes	69,417	32,445
Net profit	38,319	45,085
Less: Pref. divds.	10,000	10,000
Common divds.	25,000	15,000
Surplus for year	3,319	20,085
Add: Prev. surplus	122,523	94,840
Claim settlement	......	7,598
Earned surplus	125,842	122,523
Earn. per share: Pref.	$7.86	$9.01
Paid	2.00	2.00
Common	0.57	0.70
Paid	0.50	0.30
Working capital	$584,121	$579,442
Balance Sheet Changes		
Cash	$109,326	$46,535
Gold bullion	29,915	21,616
Government bonds.	75,070	45,075
Accts. receivable	162,386	303,985
Inventories	304,594	264,765

Mexico Tramways

Average daily receipts of Mexico Tramways Co. in 1942 amounted to $7,736 against $7,443 in 1941. As a result operating deficit showed a 39.5% decline last year.

Maintenance expenses were $89,145 above those of the previous year, while operating costs were down $8,696 from the 1941 total which included strike expenses.

Additions to the property account during the year totalled $34,930, and properties with an actual or estimated original cost of $114,442 were retired, making net property reduction of the company and its subsidiaries $79,512.

Profit, Loss—Years Ended Dec. 31	1942	1941
Car earnings	$2,830,584	$2,655,223
Misc. earnings	81,162	76,497
Gross earnings	2,911,746	2,731,720
Less: Oper. expenses	3,114,752	3,030,162
Strike expenses	......	36,952
Net operating loss	203,006	335,394

VICTORY first
Before Canadian manufacturers can produce goods to meet consumer demand, they must first provide everything needed to carry on the war.
War production is at a tempo undreamed of in days gone by.
And the greater, the faster that production, the less opportunity there is either to obtain materials to fabricate or to carry on prewar operations.
Fortunately, the Canadian public appreciates the difficulty — and so does the trade — for this is everyone's war.
And Victory must come first.
That's why GSW has dedicated its direction, its skilled workers, its vital materials, to the end of hastening this victory.
When Victory has crowned Canada's efforts, GSW will again turn swords into ploughshares with that efficiency which has made it friends throughout the whole Dominion.
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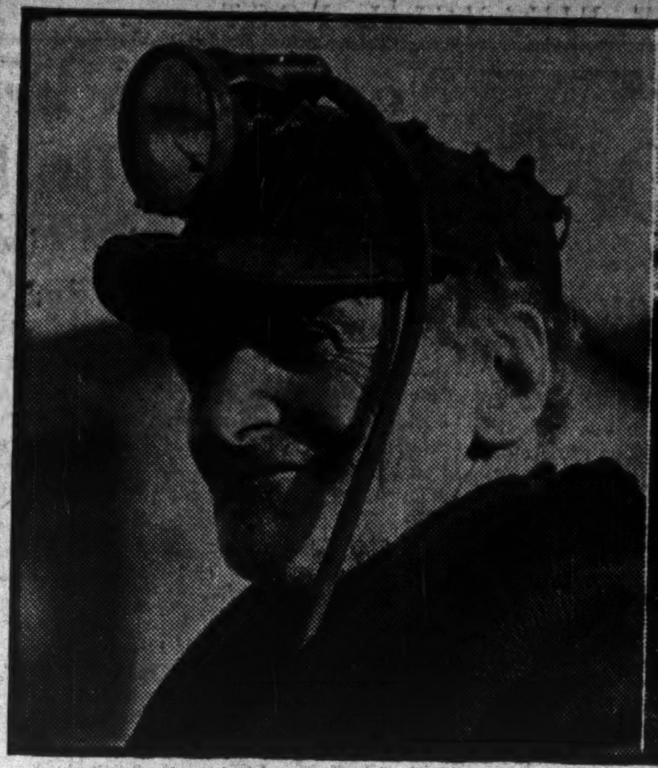
MONTREAL TORONTO LONDON WINNIPEG CALGARY VANCOUVER

THE FINANCIAL POST

Canada's Foremost Business Newspaper

Toronto, June 19, 1943



This veteran miner knows how important coal is to the war effort

Nova Scotia accounts for 48% of Canada's coal output

The Maritimes

Working Hard for Victory They Plan for Coming Peace

War Has Shifted the Economy of the Atlantic Provinces Into High Gear, and Today Lack of Manpower Places the Only Limit on the Output of Basic Industries in an Area Which Has Had the Highest Rate of Enlistment in Canada — Look to Future Prospects

By IAN SCLANDERS

Maritime lumbermen can't get enough labor to cut enough trees to meet the demand. Fishermen, selling every pound they can land, could sell millions of pounds more.

Mine operators in the big coal fields of Nova Scotia and the smaller coal fields of central New Brunswick could find buyers for several times their present output. See page 17.

Sydney's expanded steel mills go full blast day and night. Old shipyards have come to life again; new ones have been built.

Manufacturing plants in Saint John, Halifax and smaller places for the most part are working at capacity. Employment is up; wages are higher. See page 18.

Farmers are increasing production of potatoes, grain, hogs, poultry, dairy products, and getting the best returns in years.

Since war's outbreak, the basic economy of the Maritimes has shifted into high gear. On top of this there has been the stimulus of large governmental expenditures on Army, Navy and Air Force establishments. Men in the armed forces, pouring in from other provinces to the vital Atlantic coast area, have swollen the population of many centres.

Provincial government revenues have hit new peaks; budgets have been balanced and debt cut despite higher expenditures; depressed districts, such as some of those devoted chiefly to fishing, are back on their feet. See page 16.

Postwar Outlook

That is one side of the picture. The sombre side, Maritimers claim, is that their provinces have not shared proportionately in the industrial development war has brought to central Canada — a development largely financed by Ottawa.

They can point to few great new plants such as those which dot Ontario and Quebec — plants which, built for war, nevertheless represent manufacturing capacity for peacetime. Also, they have lost to these plants many of their ablest and most skilled workers. This loss they can ill afford.

There are those who view what has happened in the last three years or so as an alarming acceleration of a trend from which the Maritimes have suffered seriously in the past—the centralization of manufacturing in Ontario and Quebec. They wonder what it portends for the postwar, and how those who have taken war jobs in the central provinces can be encouraged to return when hostilities cease.

Nor are they inclined to accept without question Ottawa's explanation that the Maritimes lacked the electric power and the labor force for large-scale industrial expansion. They believe future problems have been complicated by unequal distribution of war plants in this country.

Plan for "D-day"

At the same time, most business and political leaders are definitely optimistic about the future. Preoccupied now with the war, in provinces which have had the highest rate of enlistment in Canada and are, in a sense, in the front line, they are nevertheless thinking of the peace and planning for the day of demobilization.

They are watching trends, weighing assets, exploring possibilities.

They look, among other things, for lower tariffs, particularly between Canada and the United States. In the past they have regarded high tariffs as a crippling handicap to a region which is chiefly engaged in basic industries, and which, ordinarily, counts on world markets to take the bulk of its products.

Low tariff advocates argue that the tariff policy in pre-war decades hit the Maritimes from two directions. On one hand, they claim, it artificially elevated the cost of living in Canada, making production more expensive and thus making it more difficult to compete in free markets. On the other hand, it led to reciprocal action by countries which might have offered valuable markets for Maritime products.

This line of argument, which maintains that the national tariff structure was built almost entirely for the benefit of those provinces in which industry was concentrated, contends that the natural market of the Maritimes is the populous eastern area of the United States. The feeling is that, if the present trend toward low tariff continues, some of the grievances the Maritimes have had will evaporate.

There are also Maritimers who expect a flood of postwar immigration—hope their provinces will attract thousands of immigrants of a desirable type. They contend that lack of population has been one of their main problems.

Per capita costs of highways and electric power developments have been high because these had to be extended over a large area while serving relatively few people. Sparsely settled districts have had difficulty supporting adequate schools, although marked progress is being made in this direction. (New Brunswick's Legislature, at its last session, paved the way for a system of county school taxation and other reforms.)

Maritime manufacturers point out that a material increase in population would give them larger markets on their own doorstep and stimulate industrial expansion. "If we had enough people in this part of Canada to buy our goods, we wouldn't have to worry so much about freight rates," one of them said.

Economic Readjustment

Most Maritimers believe, too, that a postwar readjustment of their position in the national economy is inevitable. Events were headed toward such a readjustment before the war.

High hopes were pinned on the Rowell-Sirois Commission. The breakdown of the abortive Dominion-Provincial Conference on the Rowell-Sirois recommendations was a bitter disappointment—would have been an intolerable disappointment had it not been softened by the fact that war, and wartime business activity, temporarily obscured by issues at stake.

Most of these issues will reappear with peace, will have to be faced.

But the Maritimes aren't banking too much on external influences to give them improved living standards, a greater degree of security, more attractive jobs to hold the young people at home and prevent the exodus of the past.

Against the screen of the future they are examining the prospects of making better use of their own assets.

Lumbering is a mainstay of Maritime economy. During the 1930's this industry was more or less depressed. The outlook was discouraging; gloomy ones said that lumber, as a building material, was a thing of the past. Today this outlook is reversed.

Present demand for lumber is huge. Lumbering operations are limited only by the manpower shortage, would accelerate rapidly were men available. Indications are that for years after the war the backlog of building which is piling up in Canada and bomb-torn Europe will provide a market for every stick which can be cut.

Meanwhile, scientific developments have made wood the material of the future rather than of the past—the raw material from which will be made such products as plastics and plywood. See page 17.

Fisheries Important

Fisheries stand high on the list of Maritime assets. There is a firm conviction now that they have been mismanaged in the past, can be handled in a far more profitable manner in the future. Symptomatic of this feeling was the assignment the premier of Nova Scotia gave his minister of industry: "Go out and engage the best expert on fisheries you can find on this continent."

The revival of the Atlantic fisheries predates the war — was coming anyway through the establishment of quick freezing plants and the introduction of improved methods of distribution.

But progress which might have taken many years will now be reached by a short cut. Like Nova Scotia, New Brunswick and Prince Edward Island are giving new attention to fisheries. See pages 24 and 26.

Coal and Steel

Coal mining is vital to Nova Scotia, fairly important to New Brunswick. Nova Scotia has the most valuable deposits of coking coal in Canada and its mining operations employ thousands of miners.

Expert witnesses have given the House of Commons Committee on Reconstruction and Reestablishment their views on how the N. S. coal resources can be developed to a fuller extent. Expansion of coking ovens is one proposal. It is claimed that this makes soft coal comparable to hard coal, which Canada lacks. There are also proposals for widening markets, and for Government encouragement of the adjustment of industrial furnaces in central Canada, so as to fit them to give better results from N. S. bituminous. See page 17.

The Sydney steel mills, with tonnage capacity greatly enlarged, and new equipment, should be in a good position after the war to turn out steel for civilian uses at low production cost. These mills, at the present time, are drawing iron ore from Bathurst, N.B. Hope in New Brunswick is that they will continue to do so in the postwar period.

N. B. Oil

New Brunswick rates oil and oil shale among assets which hold possibility of potential major development.

Third oil producing province now, from wells, New Brunswick has some of the largest oil shale deposits in the world. Oil shale is being used in Australia and Scotland; New Brunswickers believe it will become of great commercial value in New Brunswick. They also believe their oil wells are capable of far more extensive development,, and say that the product of these wells, for lubricating purposes, is at least equal to Pennsylvania oil, generally regarded as the best.

Form Picture

Agriculture, in the three Maritime provinces, is the backbone of economic life. For a number of years Maritime farming, which once flourished, then receded, has been on the way back. The improvement in livestock has been notable.

Poor stock has been weeded out; new stock has been imported for breeding purposes. Some of the finest dairy herds on the continent are now to be found in the Maritimes. The quality of hogs, sheep and poultry, has likewise been improved.

The farmers have shown an inclination to adopt scientific methods, as well as to capture premium markets by scrupulous attention to handling and grading. They have found this profitable.

One of the less encouraging spots in the Maritime agricultural picture at present is apple growing in Nova Scotia. But even here things are not so bad as they might be. The British market for fresh fruit is largely gone, due to shortage of shipping space, but a considerable part of the crop will be shipped overseas in dehydrated form. See page 16.

New Brunswick, with a smaller apple crop, was able to dispose of it in the domestic market last year, and will likely succeed in doing this again.

Maritime Potatoes

Potato growers—theirs is one of the most extensive branches of agriculture in New Brunswick and Prince Edward Island—have had a boom that corresponds roughly to that which they had in the last war. Not long after the last war the potato market fell apart, and the growers suffered heavy losses.

While admitting that their business is still a risky one — still a "big gamble" — they see a stabilizing factor in new starch factories and dehydration plants. They hope that in the future the starch factories will be able to absorb surplus stocks and culls. The present dehydration process, far superior to any used in the past, gives a product which, when cooked, compares favorably with fresh potatoes, and retains its food value.

Potato men are confident dehydration will open new markets, since the product, light and compact, can be shipped with low freight costs. See page 23.

Maritime Ports

The two largest cities of the Maritimes, Saint John and Halifax, are seaports. Port business is vital to their welfare. Their port facilities, through the war, have been taxed to capacity, and have more than proved their worth in the national transportation scheme.

In the postwar they look—and hope—for a continuation of brisk activity. Their expectation is based partly on the expectation of low tariffs that would encourage imports and exports, and partly on confidence that transportation policy in the future will recognize more fully than in the past the claims of these great all-year-round ports.

Good Roads Built

During the 1930's the Maritimes completed a major program of hard-surfaced highway construction. This involved the largest governmental expenditure in their history, brought a steep increase in funded debt. At the same time it was regarded a sound investment, because the great majority of tourists travel on rubber tires, in normal times, and tourists don't like to bump over unpaved, dusty roads.

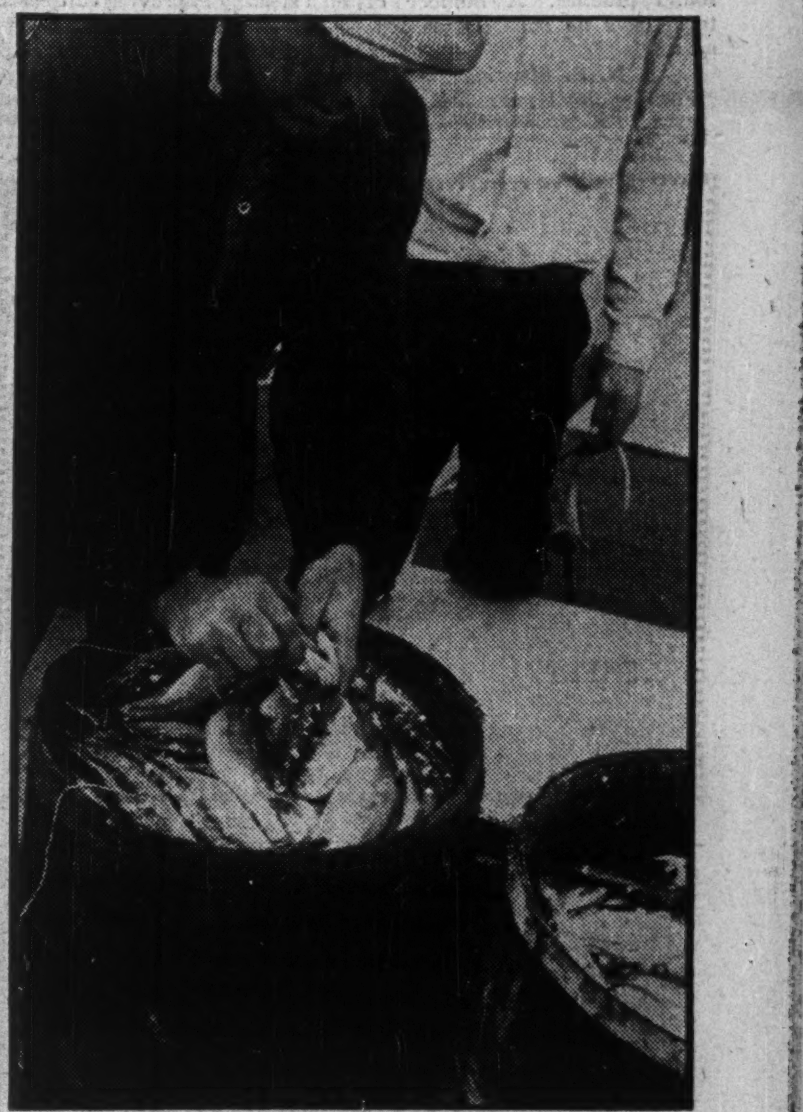
Feeling was that the smooth, paved roads, following scenic routes, would pay for themselves by fostering rapid expansion of the tourist industry. That this idea was justified was demonstrated in the years immediately before the war, when the Maritimes drew more tourists than ever before. Tourism is a war casualty. But the Maritimes still have the highways, the scenery, the climate and the diversity of outdoor sports to draw vacationists.

When gasoline is no longer rationed, when motorists can again buy tires, Maritimers expect this business to boom. They look to the day when their provinces will be the most popular summer playground on the eastern part of the continent.

Meanwhile they are making postwar plans which include the establishment of new national parks and resorts and the restoration of historic sites. Also, they are taking steps to keep the attractions of the Maritimes fresh in the minds of the people of eastern United States, from which they draw the large proportion of their tourist traffic.

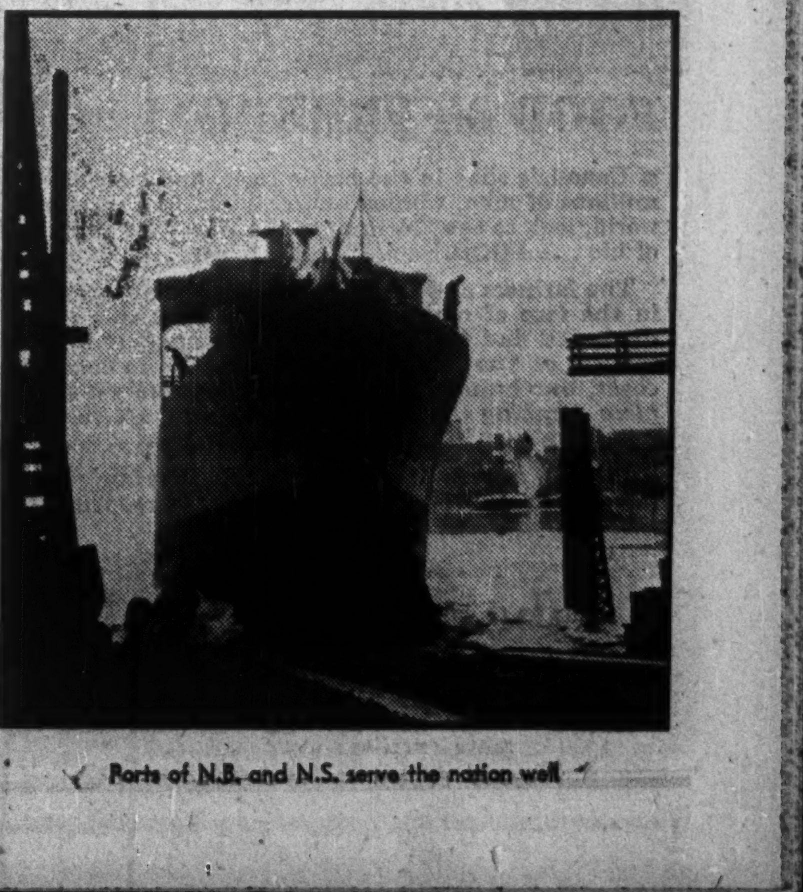
Maritime farmers have increased production to meet war needs

Hauling logs out of a New Brunswick forest by tractor



Fishing is an important Maritime Industry

Ships of the United Nations are convoyed in and out of Maritime ports, through which flow the supplies of war



Ports of N.B. and N.S. serve the nation well

Maritime Finances

Maritimes Cut Bonded Debt

Expect to Face Postwar in Strong Financial Position

Since war's outbreak the Maritime Provinces have had the highest revenues in history. Despite this they have kept expenditures on current account in line, and have adopted a policy of holding capital expenditures to an absolute minimum — this last to save labor and materials and to create a backlog of postwar work. Result is that they have substantially reduced their net debt and will face the peace years in a strong financial position.

Since the outbreak of war the Maritime Provinces have substantially reduced their net debt. This had piled up rapidly through the 1930's in New Brunswick and Nova Scotia because of major highway improvements.

These programs were practically completed by the end of 1939, and what remained to be done was halted for the duration. The policy now is to hold capital expenditures to an absolute minimum, both to strengthen financial position and to create a backlog of necessary undertakings which will provide postwar employment.

All three provinces are budgeting for surpluses in the present fiscal year, but surpluses smaller than in 1942.

Expectation of a drop in total revenue springs largely from gasoline rationing and tire shortages. These will cut down returns from motor vehicle license fees, although not, it now appears, to the extent anticipated when budgets were brought down. The blow is also lessened by Dominion action in guaranteeing gasoline tax revenues for the duration.

Another factor, so far as New Brunswick and Nova Scotia are concerned, is the manpower shortage. Likelihood is that this will reduce lumbering operations and consequently reduce revenue from stumpage fees.

Like the provincial governments, municipal governments of the Maritimes have improved their financial standing in the last three or four years. The fiscal record of these municipalities, almost without exception, has been one of careful spending and sound practice. A number of them have no bonded indebtedness.

N. B. Showing

For the fiscal year 1942 New Brunswick had a record surplus of $1.2 millions, compared with a surplus of $901,000 in the previous year.

The province has budgeted for a surplus of $111,508, based on estimated revenue of $10.8 millions and estimated expenditures of $10.7 millions. Actual revenue reached $11.8 millions while actual expenditures were held to $10.6 millions.

Only one department of Government exceeded its estimates, the Department of Lands and Mines overspending by $76,000. Of this, $24,000 was an unforeseen expenditure for porcupine bounties, authorized by the Legislature after the budget was brought down.

A noteworthy item in the savings column was $46,000 on debt charges. Capital expenditures were held to a minimum.

Funded debt of New Brunswick, direct and guaranteed, as at Oct. 31 last, amounted to $105.3 millions, against which there was a sinking fund of $13.8 millions.

Last year's surplus was the third in a row, revenues in 1940 exceeding expenditures by $538,000.

Net Debt Down

In the last three years New Brunswick's net debt has been reduced by $2.1 millions.

Whereas, in the year 1939, interest charges alone absorbed 46.44% of total revenue, last year these charges absorbed only 36.08%.

The improved credit standing of the province has been reflected in refunding operations, 1942 debenture issues having been sold on a steadily improving cost basis.

Total expenditures for the current fiscal year have been estimated at $10.7 millions while total revenue has been estimated at $10.7 millions, the estimated surplus being $21,968.

Hon. J. J. Hayes Doone, provincial secretary-treasurer, predicted in his budget speech that shortage of manpower would restrict lumbering operations, reducing returns for stumpage, and that motor vehicle receipts would fall off. Estimates call for a revenue of $700,000 from motor vehicle fees, compared with $1.3 millions in the previous year.

A bill was passed by the Legislature providing refunds for motorists who, unable to operate their cars on a full-year basis, surrender their license plates. An item of $2.5 millions was set up in the budget as representing the Dominion Government guarantee of liquor revenue.

While Mr. Doone estimated a surplus of only $21,968 for 1943, present indications are that the actual surplus will be a good deal higher.

Nova Scotia's Record

Nova Scotia, in the fiscal year 1942, had a revenue of $17.1 millions and an expenditure of $13.7 millions. This produced a surplus of $2.7 millions after charging sinking funds of $635,491.

For the current year, Hon. A. S. MacMillan, premier and provincial secretary, estimates revenue at $14,623,887 and expenditure of $13.8 millions. This would leave a surplus, before charging sinking funds, of $856,438. However, $605,625 is being provided for sinking funds, leaving an estimated surplus of $250,813.

Bringing down his budget, Mr. MacMillan forecast a drop of $350,000 in revenue from motor vehicles, and of $1.6 millions in liquor revenue. On this last point he noted:

"It is true the Dominion Government has stated it will reimburse us for any loss occasioned by liquor rationing, if the shortage brings our revenue below the revenue of the period ended June 30, 1942, but no agreement has yet been signed along these lines, and I must repeat the figures used can only be regarded as a rough estimate."

Mr. MacMillan also stated:

"It should be a matter of gratification that our total receipts from all sources in 1942 were sufficient to pay all our ordinary, and result in a fairly large surplus.

"This year we are budgeting for a small surplus after charging sinking funds, but unless our revenues increase beyond our present expectations, we will not be able to take care of our capital requirements."

Receipts Exceed Estimates

Actual receipts last year were $17.1 millions compared with estimated receipts of $13.9 millions, while expenditures of $13.7 millions compared with estimated expenditures of $13.3 millions before sinking fund provision.

Gross funded debt of Nova Scotia at the end of the last fiscal year was $100.9 millions, against which stood $10.6 millions in sinking funds. Net funded debt, at $74.7 millions, had decreased $3.7 millions during the year.

In his budget speech Mr. MacMillan called attention to the fact that over a 10-year period N. S. revenue has increased 100% while expenditures have increased 65%. In 1933, revenue was $7.2 millions and expenditures were $8.8 millions.

With the exception of one year, 1939, the province has had a surplus each year since 1936. The 1940 surplus was $946,332 and the 1941 surplus was $893,942.

Nova Scotia's credit stands high in financial circles and the last debenture issue (14-year bonds) sold at a cost to the province of 3.23%.

Prince Edward Island

Prince Edward Island finished 1941 with a surplus of $9,348, after provision for sinking funds. This was the first since 1928 although P.E.I.'s financial record has been characterized by economy and the deficits were small. The Island finished 1942 with an over-all surplus of $163,612, revenue being $2.8 millions and expenditures $2.6 millions.

At the start of 1942 the Island had budgeted for revenue of $2,3 millions on ordinary account, and expenditures of $2.3 millions.

Policy of Prince Edward Island, like that of New Brunswick and Nova Scotia, is to keep capital expenditures to a minimum at the present time.

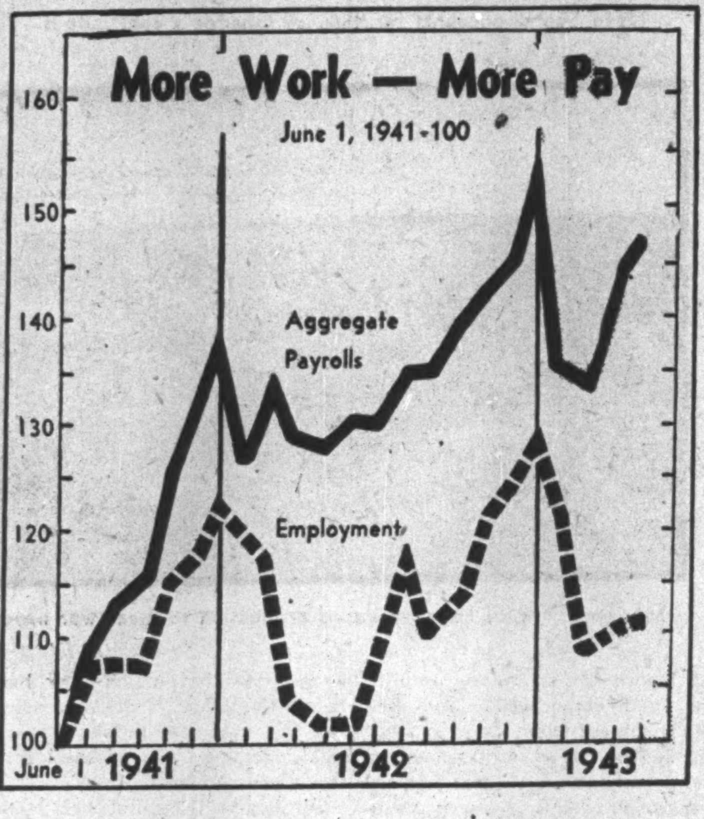


Chart by The Financial Post

Impact of war on Maritime industry has shifted the basic economy of the Atlantic provinces into high gear. Employment figures have climbed rapidly. Even more rapid has been the climb of payrolls.

Nova Scotia Fruit Men Dehydrate Bulk of Crop

Although Fresh Apple Shipments to Britain Are Virtually Cut Off, Large Quantities of Dried Apples Are Crossing Atlantic

According to latest estimates, Nova Scotia apple growers realized $2.7 millions for their 1942 crop, which amounted to 1.3 million barrels.

Ordinarily their receipts run to $5 millions or $5.5 millions, but the output of their orchards was cut in half last year by adverse weather conditions.

Thus, on the basis of price per barrel, they did not fare too badly, despite the fact that their industry was one of the first agricultural casualties of the war.

In the past, Nova Scotia growers looked to England to take the bulk of their crop. Each spring, British buyers appeared in the Annapolis Valley to purchase the apples "on the trees."

The wartime shortage of shipping ended that. There wasn't shipping space to carry apples across the Atlantic when so many other things were needed more urgently.

Government Aid

The outlook was black. However, the Dominion Government stepped in and guaranteed a minimum price for the first wartime crop, under an arrangement with the N. S. Apple Marketing Board. The grower got sufficient to cover his out-of-pocket expense.

The government has continued its assistance, largely by contracting for dehydrated apples. Last year most of the crop went to dehydration plants under agreement with Ottawa, at prices which netted the growers around $2.50 a barrel. This price was relatively good when it is considered that fruit for dehydration does not have to be graded or packaged.

In dehydrated form, the apples are being shipped overseas in large quantities.

At the same time the Nova Scotia growers continued their campaign to sell more fresh fruit in the domestic market. This effort has been marked by good results.

Present expectation is that this year's crop will be larger than that of 1942, and will bring growers a slightly higher return per barrel.

The other major apple growing area of the Maritimes, the St. John River Valley in New Brunswick, had a reasonably good crop last year.

This was sold entirely on the domestic market, at favorable prices. There has been some expansion of New Brunswick orchards and growers are concentrating almost entirely on McIntosh Reds, a variety which keeps well and has a fine flavor. The McIntosh is also the principal Nova Scotia variety.

Three N. S. Plants Make Gas Products

Three plants for the production of industrial gases are working at capacity in Nova Scotia, demand for oxygen and acetylene for cutting and welding operations having increased sharply.

Canadian Liquid Air Co., Halifax, and its branch at Sydney, are making 140,000 cu. ft. of oxygen and 30,000 cu. ft. of dissolved acetylene daily. Liquid Carbonic Canadian Corp., Dartmouth, is making liquid carbon dioxide at the rate of 8,000 lb. daily.

New Purifying Process Developed for N. S. Salt

A total of 45,962 tons of mineral salt and 2,551 tons of evaporated salt was mined last year at Malagash, Cumberland county, N.S. This is the only place in Canada where salt is mined in solid form.

The mineral salt is run-of-mine salt from which the impurities are removed by hand, while the material runs slowly over picking belts. The evaporated salt is produced by evaporating water from a saturated brine solution.

The brine results from spraying finely atomized streams of water, by means of "fog nozzles," on salt faces in the mine, and is pumped to the surface to be stored in large wooden vats until all the suspended mud and impurities have settled. The clear solution is decanted off and run into shallow steel pans, in which the water is evaporated by the application of heat. The salt crystals deposit on the bottom of the pans.

Because of the presence of black and brownish anhydrite, Malagash rock salt has not found high favor with the fish-curing trade in the past, but a cheap and efficient purification process has now been developed. It is expected that this will greatly enhance the value of the huge and unusual salt deposit.

Under the new process, run-of-mine salt is rough-crushed and washed with saturated brine to remove the free mud and dirt.

Thereafter the salt is wet-ground in ball mills. Reagents are added and the mass is then passed through a multi-staged flotation phase, where the remainder of the impurities are removed. After filtering, the salt powder comes off in a soft white cake, analysing 99.7% pure sodium chloride.

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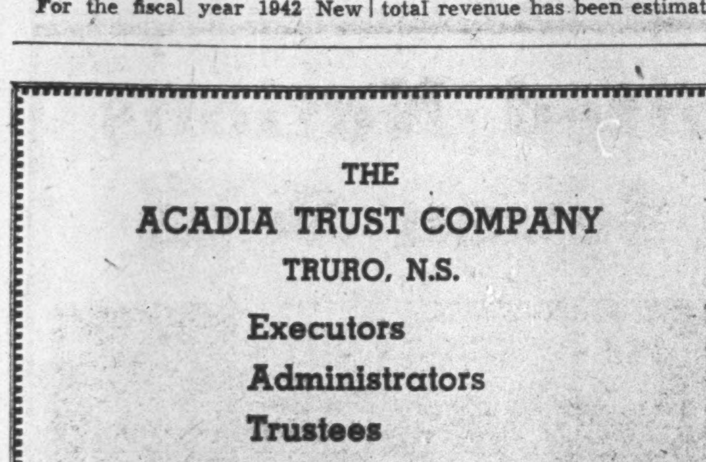

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Economic Backbone

N.S. Coal Industry Looks Ahead

Postwar Plans Call for Expansion of Domestic Markets

Five million long tons of coal a year for 200 years. That estimate of the productive capacity of the Sydney coal field was given the House of Commons Committee on Reconstruction and Re-establishment by Dr. F. W. Gray, assistant general manager of Dominion Coal & Steel Corp.

"That is," he said, "by long odds the most important piece of coal in Canada, I think. Its importance is out of proportion, possibly, to its size. This arises, in the first instance, from its geographical location and the quality of the coal, which is coking coal.

"It is the only important deposit of true coking coal east of the Rocky Mountains.

"Also factors in its importance are its metallurgical quality, its high calorific value which will run around 14,000 B.T.U's, its situation on the Gulf, its connection with the iron ore of Wabana (Newfoundland) for making steel.

"All that gives it unusual importance, and, although compared, say, with the resources of Alberta, in quantity it might appear small, yet since the beginning of coal mining in Canada the Nova Scotia field has produced, first of all, 100% of Canadian coal, and is even yet producing in the neighborhood of nearly half, or 48%."

Four Fields

Dr. Gray testified that the mines his company operates in the Cumberland area of Nova Scotia, are good for another 40 years at present rate of output, and possibly for much longer.

"I do not think that all the coal is really known in the Cumberland area," he said.

A third Nova Scotia coal field is in Pictou county and a fourth in Inverness county.

"I think," said Dr. Gray, "that the shortage of coal during war conditions brings us back to the fundamental necessity and urgency of coal production. Might I suggest with regard to the national fuel policy, without using that much misused term in any political sense, that I think the national fuel policy for Canada should be such a fostering of coal production in peacetime as to keep it in a healthy producing condition for wartime.

"In war coal is one thing you cannot do without. The coal supply may not spell victory, but lack of coal will most certainly spell defeat, and the main reason for a policy that fosters the coal industry in times of peace is that it is probably the most important factor in Canadian national defense and independence. That was the real national reason for the transportation subventions (government freight rate assistance on coal shipments).

"The ability of the coal mines to produce coal during war has justified every penny that was spent on those subventions, and any failure of production of coal at this time is not due to lack in the coal industry itself but is a pure case of lack of manpower."

Coal is to Nova Scotia what wheat is to the prairies — the backbone of economic life. The Sydney, N.S., field alone is estimated to be capable of an output of five million long tons of coal a year for the next 200 years. There are three other coal fields. Today, production is handicapped by the fact that skilled miners have flocked to enlist in the armed forces, but the mines of Nova Scotia are nonetheless making a tremendous contribution to the war effort.

In spite of this lack of manpower to which Dr. Gray referred—and his own company, by far the biggest operator, lost more than 2,000 skilled miners out of 12,000 to the armed forces—Nova Scotia coal output last year was 6,439,293 long tons as against 6,433,138 long tons in 1941, an increase of 6,155.

Output Below 1940

There had been a sharp decline in coal production in 1941, as compared with 1940, when Nova Scotia's output was 6,906,949 long tons. Thus the slight increase of last year was highly encouraging, particularly in view of the tight coal situation across the nation.

Current operations are reported to be holding up well, although manpower is still a limiting factor.

Postwar planning for Nova Scotia's coal mining industry hinges chiefly on the development of wider markets and there are those who advocate, as being in the best interests of the nation, a scale of Government assistance which will achieve this aim.

Formerly, Nova Scotia coal was sold as far west as Ontario, and much of it reached St. Lawrence ports by water. At present little of it is getting west of Moncton, N.B., due to heavy requirements of Nova Scotia steel mills, the Canadian National Railways and ship bunkers at Maritime ports.

The hope is that there will be little difficulty in recapturing markets temporarily given up.

Dr. Gray's evidence before the Parliamentary Committee on Reconstruction and Re-establishment was that there is small prospect of operations being so expanded after the war that the number of miners would be doubled, or even increased much beyond the pre-war figures

The Sydney deposits, for instance, are submarine, reaching out under the sea, and he doubted whether it would be economically possible to create new approaches to the seams which would permit employment of a far greater number of miners.

He pointed out, however, that over the last 20 years "the coal produced for sale, the coal we were able to sell, was less than the capacity of the mines for output. In other words, the capacity of Nova Scotia mines for output has never yet been fully utilized. During those 20 years the importation of United States bituminous coal into Canada, chiefly into Quebec and Ontario, has averaged in excess of 11 million tons a year."

One point brought out before the committee was that the Nova Scotia product is a "long flame" coal with characteristics different from those of the U. S. product. Thus, for industrial purposes, it calls for a particular kind of boiler adjustment.

Most boilers in Ontario are for U. S. coal and thus require structural alterations for N. S. coal.

Boiler Recommendation

A recommendation made to the committee was that the Federal Government, by subsidy or in some other manner, should encourage the alteration of industrial combustion equipment in central Canada so as to enlarge the market for N. S. coal. It was pointed out that such alteration would not prevent the equipment from burning the U. S. product, but would, on the contrary, increase its efficiency for both types of fuel.

Possibilities of large-scale coking of N. S. coal were brought out. On this point Dr. Gray stated:

"There is only one place in Canada where you can supply a coke that is a substitute for anthracite, using Canadian coal, and that is Nova Scotia. If you want a substitute for anthracite, an alternative which is like anthracite, you must use coke, and the only Canadian coke that you can make would be from Nova Scotia coal, because you could not bring it from the Crow's Nest Pass as it is not true coking coal out there in the sense that ours is; it does not have the by-products; it is not what they call a flat coal."

Average number of men employed in N. S. coal mines in 1942 was 12,731, a slight decrease from the previous year, while total shifts worked decreased by 65,072.

Coal mining has been one of the leading industries of Nova Scotia for nearly 150 years now. So far more than 260 million tons have been mined. Surveys by the N. S. Department of Mines place total resources at 18 billion tons—enough to last Canada 600 years at present rate of consumption—but it is doubtful how much of this could be mined economically.

Operations in the N. S. coal fields are closely integrated. There are comparatively few operators—only 18 in 1942.

Coal Mines Maintain Pace

Years Ended Nov. 30

Operator	Long Tons 1940	1941	1942
Acadia Coal Co. Ltd.	464,469	468,915	395,725
Beech Hill Coal Co.	......	7,057	5,918
Bras d'Or Coal Co. Ltd.	148,400	188,153	149,298
British Coal Co. Ltd.	5,679	1,740	848
Cumberland Ry. & Coal Co. Ltd.	592,571	649,119	654,759
Dominion Coal Co. Ltd.	4,402,454	3,834,869	3,904,902
Greenwood Coal Co. Ltd.	53,954	42,866	37,043
Gordon Hugh	......	4,174	4,814
Hillcrest Mining Co. Ltd.	......	27,355	103,548
Indian Cove Coal Co. Ltd.	42,627	37,742	28,397
Intercolonial Coal Co. Ltd.	221,190	177,942	169,661
Inverness Coal Mine (Gov't Control)	124,795	111,486	94,356
Joggins Coal Co. Ltd.	87,669	110,135	119,302
Maritime Coal Ry. & Power Co. Ltd.	1,944	5,754	6,489
Old Sydney Collieries Ltd.	633,447	656,090	677,560
Saint Rose (Evans & Doucet)	2,423	3,394	1,431
Standard Coal Co. Ltd.	49,391	62,962	72,513
Sullivan Coal Co. Ltd.	12,964	15,131	12,711
Victoria Coal Co. Ltd., The	59,480	28,254	......
Total	6,906,949	6,433,138	6,439,293

Sydney Leads In Activity

Becomes Top Manufacturing Centre in Maritimes; Saint John Next

Dominion Bureau of Statistics figures for 1940, the latest available, show that the value of manufactures that year in Nova Scotia was $113.8 millions, while New Brunswick manufactures had a value of $89.3 millions.

The N. S. figure was $30 millions higher than that of the previous year, and the N. B. figure $23 millions higher.

Leading industrial centre was Sydney, N.S., with total gross value of manufactures amounting to $28.7 millions. Wartime iron, steel and coal activities, centred in Sydney, gave that city the edge over Saint John, N.B., which had long held first place. Saint John's 1940 manufactures amounted to $26.7 millions, and those of Halifax in third place to $17.6 millions.

1939 Figures

In 1939 Saint John led with $21.0 millions, Sydney was second with $20.1 millions, Halifax was third with $12.6 millions.

Saint John is still well ahead as regards number of industrial plants, tea, coffee and spices being among its main products. These were valued in 1939 at $4.2 millions. Sugar refining is another large Saint John industry, and the list includes shipbuilding, meat packing, fish handling, dairies, molasses, fertilizer, wood and metal articles, machinery, breweries, lumber and building supplies, clothing, hats, brushes, boxes, nails, lime, cotton, pottery and tile.

Provincial Industries

For New Brunswick as a whole, the leading manufactures are pulp and paper, with sawmills, fish curing and packing, railway rolling stock and cotton yarn and cloth taking important places. Although unlisted under the head of manufacturing, agricultural products—especially potatoes—rank with lumbering and fishing as the backbone of the province.

Of 21 Maritime centres where plants reported the gross value of manufactures was more than $1 million in 1939, 10 plants were in New Brunswick, 10 in Nova Scotia and one in Prince Edward Island.

Manpower Shortage Hits N. B., N. S. Lumbering

Value of Products High Despite Difficulties; Pulp and Paper Tops New Brunswick List, While Veneer Output Grows

New Brunswick's forest products last year had a value of $56 millions, or $14 millions more than in 1941, according to official estimates.

Sawn lumber ran to 300 million board feet. About two thirds of this was exported, with the balance being used locally or sold elsewhere in Canada.

Output of New Brunswick's six pulp and paper mills, valued at $30 millions, made up the largest part of the $56 millions total, while veneer plants and other woodworking plants produced materials valued at more than $3 millions.

During the year the pulp mills used 823,000 cords of pulpwood, part of it drawn from outside New Brunswick. They operated at 93% capacity. Sulphite pulp was their most important product.

New Brunswick not only imported but exported pulpwood, exports to other countries and shipments to other provinces amounting to 464,000 cords valued in the vicinity of $6 millions.

In addition, about 750,000 cords of firewood were cut, with a value estimated at $7 millions.

Outlook in the present year is for some reduction in N. B. woods operations, due to shortage of labor.

N. S. Operations

This is also the outlook in Nova Scotia, where output of forest products was down in 1942 as compared with 1941.

Commenting on last year's decline the annual report of the N. S. Department of Lands and Forests states:

"The chief reason for this reduction at a time of great demand and high prices is the shortage of woods labor resulting from enlistments in the armed forces and employment on defense projects and in war industries."

It adds that there are "some secondary causes" in addition to shortage of labor.

"Many small operators expressed dissatisfaction with the prices which they received and rightly or wrongly believe that there is too wide a spread between prices which they receive and the final price obtained by the broker or shipper," the report asserts.

Many Problems

"The problems resulting from rationing, priorities, excess profits, wage ceiling, selective service, etc., complicate lumbering operations to a point where the small operators, of whom there are many hundreds in Nova Scotia, hesitate to engage in a venture apparently fraught with so many uncertainties."

Nova Scotia's cut of softwood lumber last year ran to 299,486,000 board feet, and that of hardwood to 28,169,000 board feet. The pulpwood cut approximated 65,789,000 board feet, and mining timber 13,531,000 feet. Other forest products of the province included railway ties, shingles, laths, staves and headings, piling and boxwood.

Forest fire conditions were serious in both provinces due to the weather. In New Brunswick, 252 fires were reported, and they burned over 15,131 acres.

"The year 1942," says the report of the N. B. Department of Lands and Mines, "marks the close of the first quarter century of organized forest fire prevention in New Brunswick. A summary of the records for that period shows that a total of 6,500 fires burned over 1,190,000 acres and caused damage estimated at $4.5 millions."

Nova Scotia, during the year, undertook an intensive forest fire prevention campaign, using posters, moving pictures and other media.

This province had a total of 292 forest fires in the year. They burned over an area of 28,119 acres.

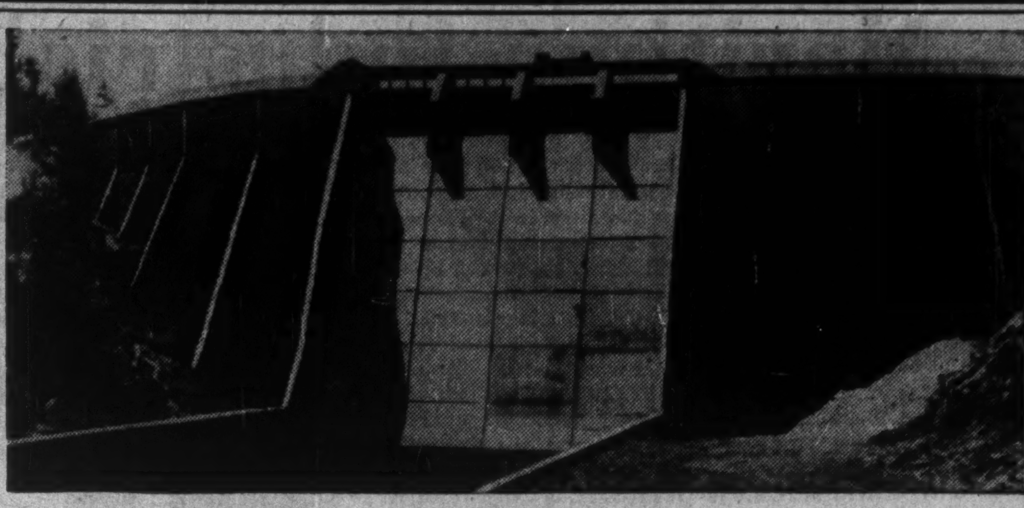
Nova Scotia has made a start on a reforestation scheme, and a total of 124,000 trees supplied by the Provincial Forest Nursery were planted in 1942. Expansion of the nursery is being considered because of "the probable demand for trees for use in rehabilitation schemes in the postwar period."

N. S. WOOL CLIP

Shorn wool brought the farmers of Nova Scotia last year cash income of $125,000, according to a preliminary federal report. This was $20,000 better than the previous year. The total clip in 1942 amounted to 482,000 pounds, of which 436,000 pounds were sold within the year.

MORE BEE BREEDERS

The annual report of the P.E.I. Department of Agriculture for the fiscal year ended Dec. 31, notes that 17 new bee breeders started within that year. "Prospects for increased numbers in 1943 are excellent," says the report. "The largest production of honey in our history, 34,000 pounds, was produced in 1942."



Salmon Hole Dam and Power Plant, St. Croix, N.S.
Total Installed Horse Power, 7100 H.P.

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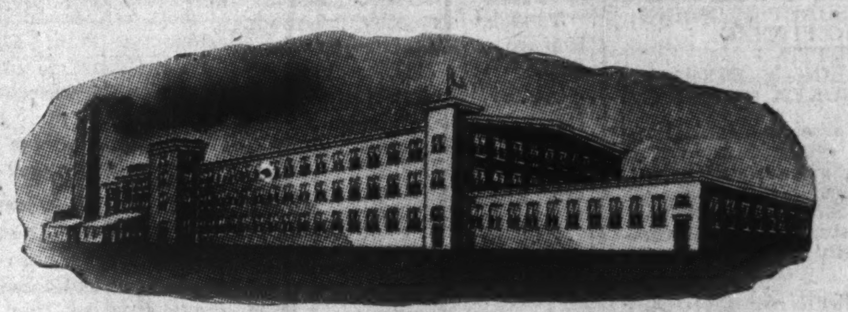

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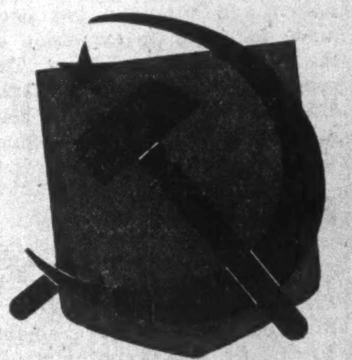
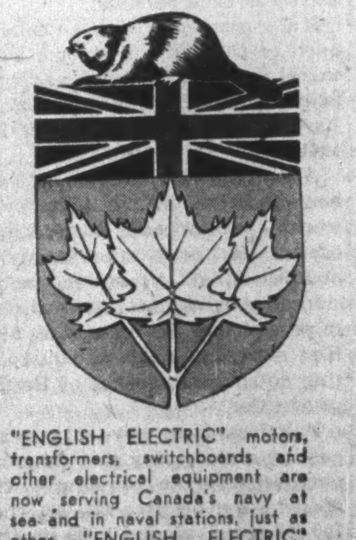
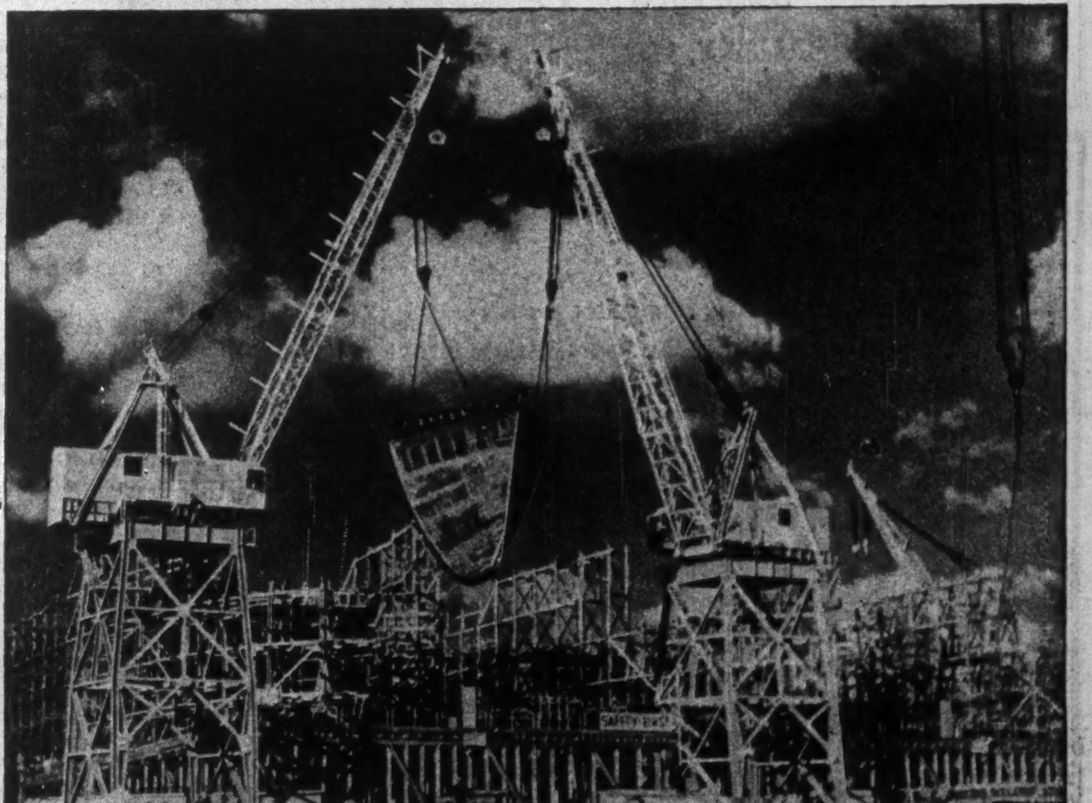


Made in Canada "ENGLISH ELECTRIC" Motors are driving the machines in war-plants of the U. S. S. R.



"ENGLISH ELECTRIC" motors, transformers, switchboards and other electrical equipment are now serving Canada's navy at sea and in naval stations, just as other "ENGLISH ELECTRIC" products help to build the ships and other war materials which Canada is now producing.



IT IS a sincere tribute to Canadian industry that "ENGLISH ELECTRIC" equipment . . . built in St. Catharines, Ontario . . . is now being used in the great United States west-coast shipyards; in the munitions and ordnance plants of the Soviet Union; and in our own Canadian shipyards in the Maritimes and British Columbia.

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Maritime Industrial Effort at New Peaks

Dominion Steel & Coal

Sprawling industrial giant of the Maritime Provinces, Dominion Steel and Coal Corp., has been in the forefront of those Canadian firms which have made Canada's tremendous war production possible.

Under the spur of wartime demand for steel, ingot capacity has been increased from the pre-war level of 476,000 tons per annum to 715,000 tons with a further increase scheduled to become effective shortly.

Dosco is not only one of the largest iron and steel producers in the Dominion, but is also one of the most fully-integrated. Besides its furnace and steel rolling capacity, it has coal mines and railroads close at hand, iron mines in Newfoundland and New Brunswick—and important fabricating and sales interests.

Sydney, N.S., is the locale of the company's principal operations. Output from the Sydney plant is now running close to double the peak attained in the last war; and the management is striving for still higher production levels.

In peacetime, the company turned out steel ingots, steel billets, steel rails, steel bars, steel rods, steel wire, barbed wire and wire nails for our Canadian economy; shipped important quantities of items such as rails to other Empire countries. South Africa was a big market.

In wartime, however, the company's greatly expanded output is being channelled chiefly into war production; peacetime uses have been strictly subordinated. Rehabilitation of the 110-inch plate mill, built in the last war, is allowing a substantial output of steel plates needed to supply growing requirements of Canadian shipbuilding industries busy with cargo boat construction.

Iron Ore Situation

Early this year shipping difficulties forced the company to order closing of its iron ore mines at Wabana, Nfld., the source of most of the ore for the Sydney steel plant. The shipping situation has now cleared, however, and operations and shipments have been resumed. A substantial stock pile of ore had been built up at the Wabana mines early this year.

To assist in meeting its growing iron ore needs the company has reopened the old Bathurst iron mines, at Bathurst, N.B. Plans call for shipment of approximately 300,000 tons of ore from this property for mixing with the Wabana ore. The Bathurst Mine is regarded as an important emergency reservoir for iron ore in these times of disturbed shipping conditions.

Special Write-offs Allowed

Recognizing the fact that much of Dosco's expansion arises out of the war, the Dominion is allowing special depreciation write-offs and it is noteworthy that the $3.2 millions of depreciation charged in 1942 was almost twice that of the previous year. While 1942 net profits were lower, depreciation charges meant a return of some of the capital expended on plant additions.

Working capital is at the highest point in the company's history.

Directors have been considering the matter of dividends on the company's class B stock, but expansion is not yet fully completed and it may be found desirable to build up working capital still further before commencing distributions.

New Expansion Program

A further expansion program, recently announced, will entail an expenditure of $1.9 millions at Sydney. An ore beneficiation plant is to be constructed along with a 700-ton mixer plant and subsidiary equipment.

Funds for this work are being advanced by the Dominion Government. New installations will mean a 60,000-ton annual increase in steel plant effective capacity, it is stated, without increasing the capacity of the open hearth, blast furnaces or consumption of coke.

To further assist it on its raw material front, the company has undertaken production of limestone at Point Edward, Cape Breton Island, to supplement the Newfoundland areas as a source of limestone supply. Shipments of limestone from the Cape Breton deposits commenced last month.

Subsidiaries Busy

Dosco's metal-working subsidiaries have been just as busy as their parent company. Halifax Shipyards has been operating at capacity and $165,000 of mortgage indebtedness was retired in 1942. Manpower shortage continues to affect Dominion Coal Co., but every effort is being made to increase production.

The $3 millions expansion program at the Trenton plant to equip it for production of war materials is being concluded this year. This plant joins that of Eastern Car Company.

Production of cars by Eastern Car Co. has been affected by requirements of the shipbuilding industry for steel, but is nevertheless at a fairly high level.

Turn Out 70% of N. S. Coal

In normal times the 30 coal mines of Dominion Steel & Coal, and its subsidiary Dominion Coal Co., turn out 70% of all N. S. coal produced. While production by Dominion Coal Co., which turns out most of this coal, was 18% lower in 1942 than 1941, an increased subsidy payment from the Dominion Government was reported recently and extra financial aid may offset added costs, allowing operations to be returned more nearly to full capacity. The Cape Breton collieries suffered from a slow-down back in 1941, it will be recalled, and full recovery has not been achieved from this. With many of the best miners now in the Army, the quality of labor is lower and this has affected production.

Postwar Possibilities Improve

Prospects for Dosco for after the war seem to have improved considerably this past year. Building up of working capital, for instance, should prove of great assistance in the important transition from war to peace—when it comes.

Acquisition of the controlling interest in Canadian Tube & Steel Products the past year serves more fully to integrate the company's operations and may prove of considerable assistance in providing sales outlets after the war.

Expansion of capacity has resulted in a much more efficient arrangement of certain productive equipment and this greater efficiency may be a key factor in maintaining operations at a high level after the war.

Reserves of iron ore with the company's Newfoundland mines are substantial and so are the coal reserves in Nova Scotia. Supplies are undoubtedly adequate for many decades to come.

Acadia Sugar

Acadia Brands of Sugar are being maintained on the market by Acadia Sugar Refining Co., but the company's plant at Woodside, near Halifax, has been closed due to war conditions.

Production requirements are now being met from the plant of Atlantic Sugar Refineries at Saint John, N.B., Acadia having secured complete ownership of Atlantic Sugar Refineries over a year ago.

With brand names maintained and customers still supplied, Acadia Sugar is in a position to reopen its own refinery if this proves desirable.

When Acadia Sugar closed down its Nova Scotia Refinery, the province lost, if only temporarily, one of its major industries. Some war work is reported being done in the plant now.

Transportation difficulties were at the bottom of the Woodside refinery closing, the latter plant being dependent on oil whereas the Saint John plant is operated by coal.

Public investment interest in Acadia Sugar is restricted to its first mortgage and general mortgage bonds.

Enamel & Heating

While Enamel & Heating Products enjoyed the largest sales in history in 1942, this year's sales may not run quite as high although definite information on this point will not be available until late in the year.

All three of the company's plants are sharing in the present substantial volume of business, much of current work comprising war orders.

The company is mindful of problems that may be encountered in the postwar period and various branches are actively engaged in obtaining new business as well as in research into conditions which may be experienced after the war.

Despite loss of export trade, chiefly to South Africa where the company had established a good market, sales present no important problems at this time.

Raw materials and labor supply —not sales—are the problem as far as securing a large volume of output is concerned.

Orders from the government are for such items as cooking and equipment for army and air force camps. No substantial changeover of equipment has been required, it is understood, and transition from war to peace may be somewhat simpler for Enamel & Heating Products than for a number of other companies. It appears that a substantial backlog of business awaits the company after the war.

N. B. Inter. Paper

New Brunswick International Paper Co. is a wholly owned subsidiary of Canadian International Paper. At Dalhousie, N.B., it operates one of the largest newsprint plants in the Maritime provinces. As its operations and earnings are consolidated with those of the parent company, Canadian International Paper, it is not possible to give a detailed statement of its experience. It is assumed however, that, as the parent company is subject to prorating, the Dalhousie mill is not operating on as large a scale as previously.

Four machines have been installed and provision has been made for ultimate expansion of the plant to six machines. The combined capacity then will be 825 tons a day. The plant in general is relatively new and production cost low.

Fraser Cos.

One of the leading industrial enterprises in New Brunswick, Fraser Cos. and its subsidiary, Restigouche Co., realized operating earnings in 1942 approximately equal to those in 1941. But directors have been unable to secure a ruling on the company's excess profits tax position as yet and no final determination of profits after taxes has been possible.

If the company had been called upon to pay the full income and excess profits tax provision set up, balance for shareholders would have been less in 1942 than in 1941.

A substantial improvement has been recorded in the company's working capital position—working capital has been approximately doubled in six years—and substantial progress has been realized in reduction of the Fraser Cos. 6% first mortgage bonds and in cutting down indebtedness of Restigouche Co.

Pulp resources have been expanded considerably this year by purchase from the New Brunswick Railway Co. of from 600,000 and 700,000 acres (around 1,000 square miles) of timber lands on the Tobique River. The area involved is said to be approximately 40% of all the land held by the railway. Details of the financing by which this purchase was arranged have not been released.

The purchase from the New Brunswick Railway Co. is expected to provide a perpetual supply of pulp for the company's bleached mills at Edmundston, N.B., it is stated.

The $5.6 millions 6% first mortgage bonds of Fraser Cos. is due in 1950, but is now callable at 103. The gradual increase in working capital suggests that the company might be able to handle this maturity, perhaps from funds on hand. This would reduce interest requirements by over $330,000 and would mean a substantial increase in profits available for distribution of the company's common shares.

Minas Basin Pulp

Minas Basin Pulp & Power Co. has its headquarters in Hantsport, N.S., and manufactures groundwood pulp, with a capacity of about 120 air dry tons per 24-hour day. More than half the entire output is sold to Scott Paper Co. in the United States.

The company also exports lumber, and owns approximately 160,000 acres of timberlands.

In the period 1940 to 1942 lumber sales were some 70 million ft. b.m., of which some 20 million were cut from the company's own holdings.

The company's power plants on the St. Croix River have a capacity of 7,100 h.p.

Hantsport Insurance Agencies, Ltd. and Minas Shipping Co. are two subsidiaries wholly owned by the parent company. Minas Basin Pulp also controls Annapolis Basin Pulp & Power Co., Canadian Keyes Fibre Co., Fenderson's Ltd., Minas Stevedoring Co., Maple Leaf Lumber Co., Parrsboro Lumber Co.

Bathurst Power

Net profits of Bathurst Power & Paper Co. were up from $91,447 in 1941 to $750,114 in 1942, but a substantial decline in earnings has been reported by R. L. Weldon, president, for the first months of 1943.

Rising costs have cut into profits and the payment of cost-of-living bonuses has assumed large proportions. A further condition which reduced profit has been the low water on the Nepisiquit River, which created an acute shortage of hydro power in the last few months of 1942.

During 1942 sales totalled 110,204 tons, up from 105,993 tons in 1941. Output of kraft products was 28.56% of the total output.

Diversification of output has been the keynote of Bathurst's success in maintaining plant operations on a high level under present conditions. However, it is considered doubtful whether last year's high rate of production can be continued.

The production of unbleached sulphite remained at an approximately constant level in 1942 at 19.99% of the company's total tonnage. Boxboards moved up from 17.87 to 18.31%, while newsprint and other specialties declined from 17.70 to 13.14%.

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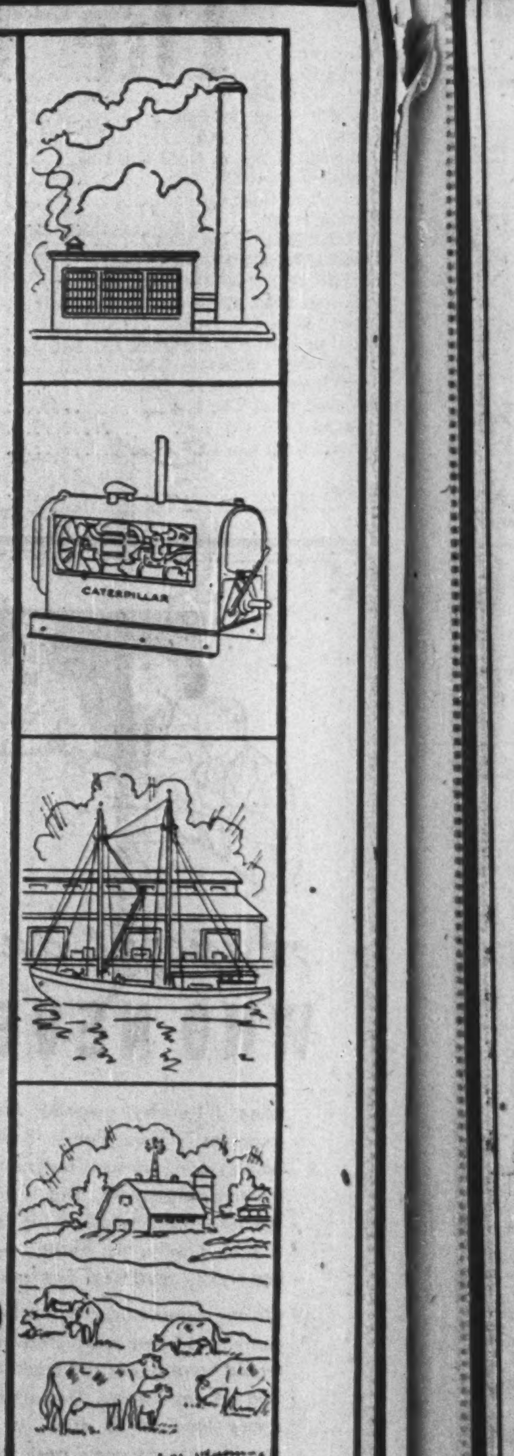

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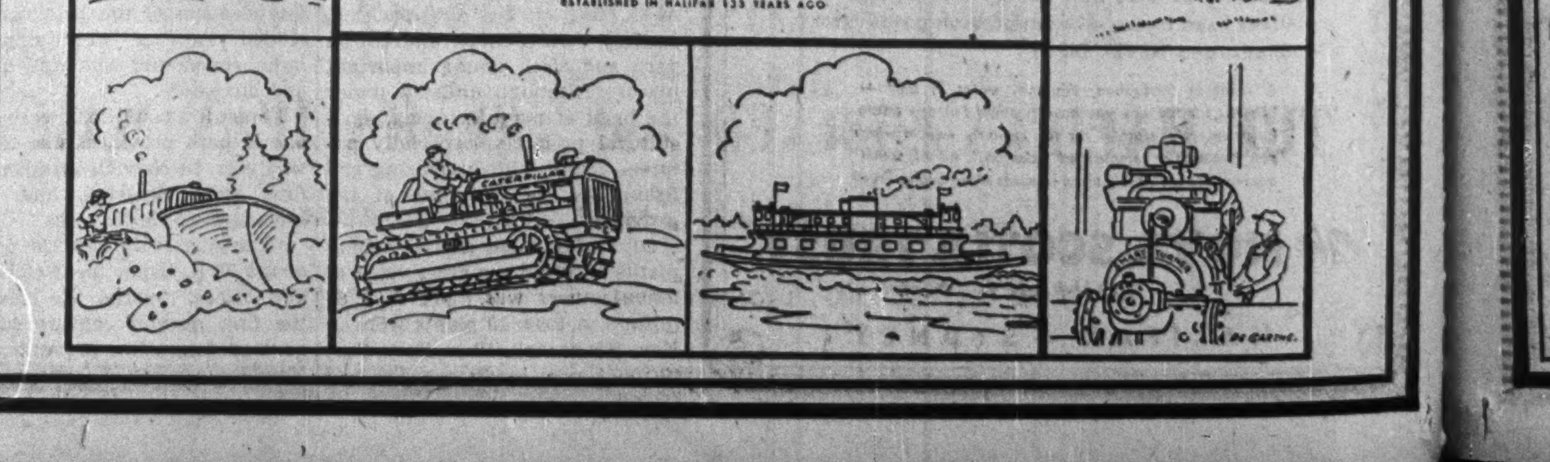

Utilities Grapple With Record Job

Maritime Telephone

Maritime Telegraph & Telephone Co. has had, almost since the outset of the war, a record of consistent improvement. Volume of business handled has continued to gain, particularly in Halifax, but expansion has been notable in all parts of the province, which the company serves in entirety.

The increase in telephones installed since November, 1931 — the depression low point for the company — is close to 37%. At the end of last year 55,719 stations were in operation, and of this number 31,410 were on the dial system.

Local calls completed during 1942 totalled approximately 115 millions, an increase of 7.6% over the preceding year. Completed long distance calls were up 11% at 2,280,920.

Construction Hampered

A major construction program was planned for 1942 but, owing to shortage of material and labor and various other factors, only somewhat more than one third of the projected work was completed. An unforeseen and controlling factor was the heavy demand for new construction made by the armed services and war industries. In this regard, much work was done, which included additions to exchange and toll equipment. A number of contracts were completed for use of Government agencies, and toll circuits in the year showed a sharp increase.

Construction of a projected toll building in Halifax has been temporarily abandoned due to shortage of materials. Accommodation sufficient for immediate needs has been provided by an addition to the present building.

Gross revenues were up from the previous high point in 1939 of $2 millions to $3 millions in 1942. Of the increase, $386,770 was made in 1942. However, taxes have also gained steeply and the company has reduced the dividend on its stock from 80c. to 70c. per share annually.

In 1942 toll revenues were up some 21.7% above 1941 and were approximately 32% of total revenues.

Telephone companies normally carry a proportion of excess facilities to provide for future growth. This surplus, in this company's operations, is almost all in use.

Eastern Light

Eastern Light & Power Co. provides electric utility services in the Cape Breton area of Nova Scotia, with its main operation centre at Sydney.

Wartime operations of the Dominion Steel & Coal. Co.'s plants have effected a substantial increase in employment and spending power, so that operations of Eastern Light are on a correspondingly favorable scale. Gross earnings of the company were $592,640 in 1942. Net profits were the equivalent of $1.05 per share.

Increased power costs have to some extent limited the increase in net earnings. Electrical energy is purchased under contract from Seaboard Power Co., while Eastern light itself owns a steam standby plant at Sydney.

Between 1932 and 1941 kilowatt hours generated and purchased by Eastern Light increased 119.6%; maximum peak demand advanced 94.9%; total customers were up by 50.4%.

In addition to its own operations, Eastern Light, through Dominion Utilities Co., distributes power and water in New Waterford and the bordering district of Scotchtown, and electricity in six other districts.

Maritime Electric

Maritime Electric Co. owns and operates lighting and power services in New Brunswick and Prince Edward Island. Steady improvement in conditions is reported by the company.

Operating profit was $635,764 in 1942, as compared with $611,974 in the previous year. Net profit, however, was $39,646 as against $44,391 in the earlier period.

Services are provided in Charlottetown, Montague and some dozen other communities on Prince Edward Island. Energy is obtained from a steam plant and some auxiliary power developed from a small hydro-electric project.

In New Brunswick the company operates at Fredericton, St. Stephen, Milltown, St. Andrews, Devon and six other communities. Power for these services is purchased from the New Brunswick Power Commission and Canadian Cottons Ltd.

The company serves a total population of approximately 45,000. Light and power customers number 10,200. In 1941 energy sold was more than 15.4 million kw.h. in total volume.

Canada Electric

Gross revenues of Canada Electric Co., Amherst, N.S., were up 13% in 1942 over 1941, increasing by $56,115. Net profit for the year was $55,454. The company is one of the principal subsidiaries of Eastern Utilities, Ltd., operating an important steam power plant.

Additions to the power load are expected this year, but the company's president, N. T. Avard, states that present capacity will be able to meet the added demand.

In addition to its own generating and retail business, Canada Electric supplies energy in bulk to the Dominion Coal Co. for use in its Springhill Mines.

Other users include several mining companies in the Cumberland area. Power is generated in a high-pressure fuel plant at Maccan, N.S., one of the first plants of its kind in the Dominion.

Eastern Utilities

Net profit of Eastern Utilities Ltd. in 1942 is reported at $143,640. Dividends of $15,125 were paid on the preference shares during the year.

The firm is the only public utility holding company in the Maritimes, and was organized to acquire various public utility and associated companies which had been controlled in the United States and were returned to Canadian ownership in 1939. Its wholly-owned subsidiaries are Canada Electric, Eastern Electric & Development Co. and Joggins Coal Co. Eastern Utilities also has an interest in Moncton Electricity & Gas Co. and Maritime Coal, Railway & Power Co.

Thus companies under Eastern's control supply power directly in Moncton, Amherst, Sackville and districts in the Maccan-Joggins coal field, as well as to the Dominion Coal Co. at Springhill and to other public utility systems for retail distribution in adjacent districts.

Natural gas is supplied to Moncton and Hillsboro and transportation in the Maccan-Joggins coal mining field.

Subsidiaries report business appreciably improved. Returns for 1942 were ahead of those for 1941.

N. B. Power

Control of New Brunswick Power Co., principal utility in New Brunswick, was recently purchased by F. C. Manning of Halifax. New Brunswick Power serves Saint John with light and power. Purchase gives Mr. Manning control of the entire system, including the generating and distributing layout.

The company was previously controlled by Federal Light & Traction, New York.

All the company's facilities are being used to capacity, and any increase in gross income this year, it is believed, will be moderate.

An indication of the improvement in operations and earnings is the fact that New Brunswick Power Co. was able to earn sufficient profits in 1941 and 1942 to pay full interest on notes held by the then parent company, Federal Light & Traction. In former years this had not been possible, due to the losses on tram operations and on the heavy cost of competing with the municipally owned system.

N. S. Light

Nova Scotia Light & Power Co. worked at an all-time peak in 1942, and business conditions are reported to be still highly favorable. The company is the largest public utility in the Maritimes, with its head office in Halifax. Through subsidiaries, notably Avon River Power, it provides an electrical service in the Annapolis Valley, along the east shore of Nova Scotia, and in several other sections of the province.

Tramway travel on company lines reached its highest point in 1942, with an increase of 37% over 1940. The company now has 75 trams in service compared with 59 at the beginning of the war. An increased demand for gas has made it necessary to contract for an additional four retorts, which will increase the company's gas-manufacturing capacity, when completed, by one third.

This spring public ownership of the company was seen as a possibility, when the city of Halifax sought enabling legislation from the Nova Scotia legislature. There had been no previous agitation for public ownership and the move was not anticipated, it is claimed. No further developments have been reported.

Gross income in 1942 was reported at $4.8 millions, as against $3.9 millions the year before. After taxes net earnings available on the common stock were $8.06 a share, up from $7.41 the previous years.

During 1942 the Lumsden plant, a new hydro-electric station on the Black River with a capacity of 4,500 h.p., was begun. Additional storage was secured on Gaspereaux Lake by raising the control dams there, while the steam capacity of the Halifax station was increased by adding a new boiler, and late in the year an order was placed for 10,000 kw. steam generating units.

Arrangements have also been made, at other points in the system where hydro electricity is not available, to increase Diesel capacity.

The company's generally increased business in all departments reflects the wartime influx of people into Halifax, Dartmouth and other centres. The boost in tramway business is understood to have made the transit department very profitable, whereas in pre-war years it was seldom a money-maker.

Acadia Coach

Acadia Coach Lines, through Wagoner Tours, provides bus service over a large part of Nova Scotia. It is an auxiliary of United Service Corp. The gradual withdrawal of private cars from use and the increase in military and civilian travel has meant a substantial increase in the volume of traffic available to the company, but wartime restrictions have put limitations on the facilities that can be offered. It has sometimes been necessary to limit the sale of tickets.

Northumberland Ferries

Northumberland Ferries, Ltd., under agreement with the Dominion Department of Trade & Commerce, operates a ferry system between Nova Scotia and Prince Edward Island. According to last reports, two of its three vessels have been commandeered by the Dominion Government for war services leaving one boat with which to carry on ferry operations. The company, some time ago, made [illegible]ublic offering of bonds and s[illegible] further small block of bonds and some stock privately. No financial statement is issued.

N. B. Telephone

New Brunswick Telephone Co., controlled by the Bell Telephone Co. of Canada, is operated as an independent unit in which there is a substantial public investment interest. It provides telephone facilities in its own province and has experienced a record volume of business during the last three years.

Despite curtailment of service expansion due to war conditions, the company was able to show a net gain in its operations last year when 1,645 stations were added to the system. At Dec. 31, 1942, there were 38,875 telephones in service, an all-time high. Of this number, 19,803 were dial type and 19,072 were manually operated.

Long-distance toll traffic amounted to 1,327,442 calls, of which 1,218,183, or 91.8%, were completed. In addition there was a heavy increase on the Trans-Canada Telephone System of which the company is a member. Construction carried out in 1942 involved outlay of $761,314.

Net profit for 1942 was $366,976 as compared with $398,344 in 1941. Earnings per share equalled 57c. in 1942 as compared with 63c. in the previous year. Dividends were continued at the annual rate of 5%, a like amount having been paid regularly since 1932 except in 1937 when distributions totalled 5½%.

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PROVIDING only that you have efficient distribution — that your goods can be found in all stores when asked for — The Halifax Herald and The Halifax Mail can deliver all available Nova Scotia business.

Sales of products in Nova Scotia can be said to bear a direct proportion to the amount of space used to advertise them in The Halifax Herald and The Halifax Mail.

A strong statement? Maybe. But a statement based on the experience of scores of first rank national advertisers in the Nova Scotia market who make use of The Halifax Herald and The Halifax Mail consistently year in and year out.

The all-embracing coverage of The Halifax Herald and The Halifax Mail in the Halifax area plus the dominant distribution throughout the province — makes this powerful medium the real key to sales in this territory.

If you are contemplating expansion in the Nova Scotia market — a field noted for its economic stability and its constant demand for quality products — be sure that The Halifax Herald and The Halifax Mail is made the focal point of your campaign.

According to Publisher's Statement to the A.B.C. Net Paid Herald-Mail Circulation for 6 mos. ending March 31, 1943, was in excess of 78,000.

THE HALIFAX HERALD and THE HALIFAX MAIL

Two of Canada's Great Newspapers

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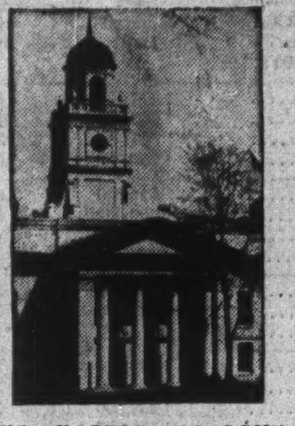

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One-year special course in Education for graduates in Arts and Science to qualify for the Teacher's License of the Province of Nova Scotia and the degree of Bachelor in Education.

Three-year course leading to a licentiate in Music.

Three-year course leading to a certificate in Secretarial Science.

Three-year course in Engineering, with diploma, leading to final years in Nova Scotia Technical College and McGill University.

Two-year course leading to diplomas in Household Economics.

Pre-Medical, Pre-Dental, Pre-Law and Pre-Nursing courses.

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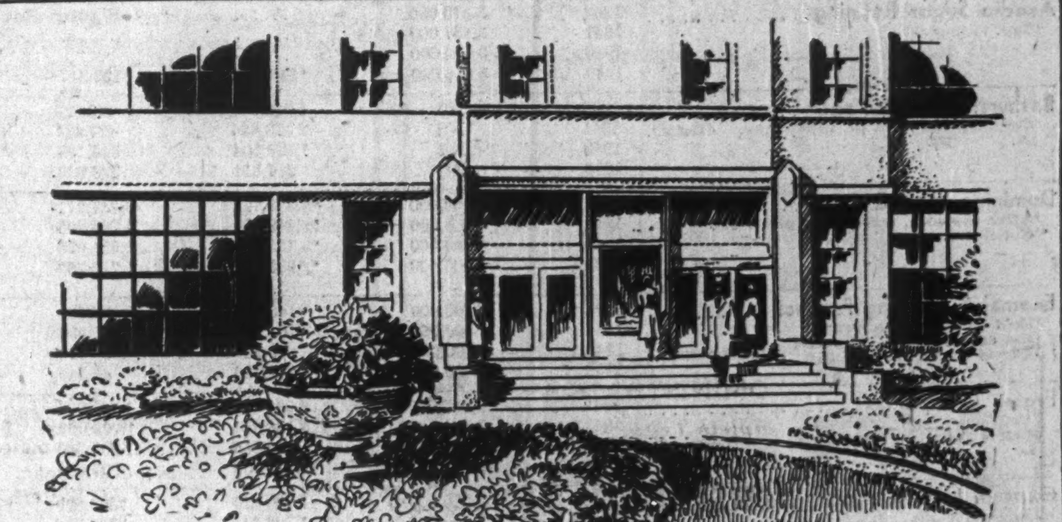

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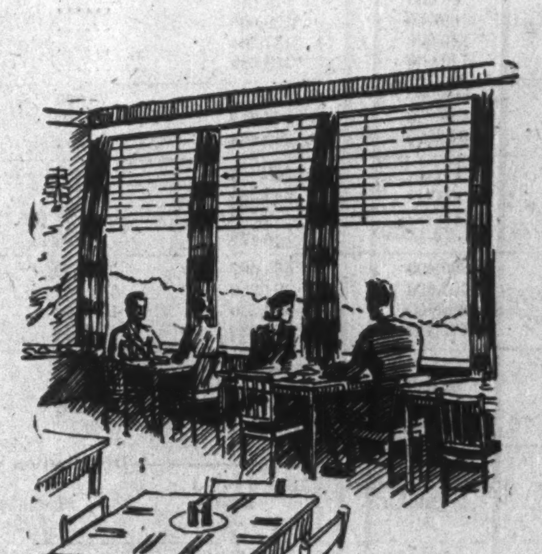
. . . a large department store, located at the head of the North West Arm. Flowers bloom in its carefully tended gardens. Delicious luncheons and afternoon tea are served in its Seaview Room, which commands an unrivalled view of sparkling waters. Merchandise is of the same high standard as that of Simpson Stores throughout Canada. Shopping facilities are modern and satisfying. A visit to Halifax is not complete without a visit to Simpson's.



The Robert Simpson Eastern Limited, Halifax, N.S.

STATISTICAL RECORD OF MARITIME INDUSTRY

PUBLIC UTILITIES

Company	Year	Operations: Electricity Kw.h. 000's	Operations: Gas Cu. Ft. 000's	Net Bonded Debt $	Gross Income $	Deprecia-tion $	Taxes Paid $	Bond Int. Covered	Share Pfd. $	Profits Com. $	Com. Dvd. $	Surplus after Charges $	Net Working Capital $	Price Range Common Stock 1942-43 High	Low	Last	Directors
Canada Electric	1942	.....	......	1,273,500	167,522	49,627	108,183	3.81	...	6.16	5.00	16,526	154,770	...	...	...	N. T. Avard, pres.; J. H. Winfield, man. dir.; A. R. Lusby.
	1941	.....	......	1,300,000	166,555	.....	......	1.98	...	5.99	5.00	8,976	106,431	...	...	...	
	1940	.....	......	1,300,000	389,204	40,021	......	...	...	5.16	5.00	1,457	83,759	...	...	...	
	1939	18,650	......	1,300,000	374,036	48,053	......	...	...	...	6.00	.....	95,477	...	...	...	
Eastern Light & Power	1942	.....	......	990,000	592,640	35,369	96,454	...	...	1.05	0.80	37,260	91,357	...	...	...	W. S. Thompson, pres., North Sydney; J. H. Winfield, vice-pres., Halifax; M. J. Dwyer, Sydney Mines; M. R. Chappell, Sydney; D. C. Sinclair, New Glasgow.
†Deficit.	1941	.....	......	1,000,000	544,290	.....	......	...	...	...	0.80	.....	.....	...	...	...	
	1940	.....	......	1,000,000	496,391	39,452	59,283	...	...	0.85	0.80	3,490	77,936	...	...	...	
	1939	14,345	......	1,000,000	442,209	41,683	38,642	4.66	...	10.44	0.80	†66,560	31,327	...	...	...	
Eastern Utilities	1942	.....	......	1,125,000	202,477	.....	†4,123	3.63	5.21	5.13	Nil	128,149	4,504	...	...	...	Hon. F. B. McCurdy, pres.; J. H. Winfield, vice-pres. and man. dir., Halifax; A. Knox, sec.; M. M. King, treas.; W. E. Bentley, Charlottetown; J. W. Godfrey, Halifax; Hon. C. W. Robinson, Moncton, N.B.
*For 11 mos. ended Dec. 31. †And other expenses.	1941	.....	......	1,559,000	186,251	.....	†2,488	2.95	4.23	4.05	Nil	101,294	44,355	...	...	...	
	1940	.....	......	1,575,000	*121,842	.....	†8,229	1.94	1.35	1.18	Nil	29,603	104,961	...	...	...	
Maritime Electric	1942	.....	......	1,335,000	234,135	59,733	70,703	2.78	...	11.27	6.00	18,646	79,646	...	...	...	G. A. Gaherty, pres., Montreal; Fred C. Clarke, Montreal.
	1941	.....	......	1,341,500	211,210	58,371	43,563	2.39	...	12.68	6.00	23,390	33,895	...	...	...	
	1940	.....	......	1,357,500	185,023	56,293	23,494	1.99	...	11.15	6.00	18,035	43,632	...	...	...	
	1939	.....	......	1,373,000	165,733	54,030	7,233	1.75	...	10.35	6.00	15,230	56,051	...	...	...	
Nova Scotia Light & Power	1942	.....	......	7,431,500	4,788,584	596,500	1,391,500	2.57	17.45	8.06	6.00	71,046	†944,848	87½	77	80	J. C. MacKeen, pres.; J. McG. Stewart, vice-pres.; Hon. W. H. Covert, R. A. Wood, G. MacG. Mitchell, Dr. M. J. Carney, A. H. Whitman, P. R. Jack, Halifax; Denis Stairs, Montreal.
†Excess of curr. liab. over curr. assets.	1941	87,328	200,438	7,480,000	3,959,313	577,800	913,874	2.48	16.52	7.41	6.00	48,544	†694,204	88	86	...	
	1940	72,155	185,035	7,566,500	3,271,860	541,400	517,173	2.42	16.05	7.07	6.00	36,983	†186,268	93	85	...	
	1939	60,363	158,336	7,650,500	2,737,217	367,200	353,431	2.36	15.06	6.56	6.00	19,426	†234,553	95¼	92	...	
Saint John Dry Dock & Shipbuilding	1942	.....	......	2,757,296	†290,152	240,671	17,559	...	...	0.10	Nil	.....	377,901	...	...	...	F. M. Ross, pres., Ottawa; F. G. Wilson, vice-pres. & sec. treas.; C. N. Wilson, mgr.; H. E. Josselyn; Saint John; O. E. Leger, J. N. Baird, Montreal.
†Operating profit. *Deficit.	1941	.....	......	2,913,371	†277,851	113,774	64,866	...	...	4.32	4.50	*6,105	390,155	...	...	...	
	1940	.....	......	3,065,616	†263,570	62,080	54,064	...	...	5.07	1.50	21,317	329,436	...	...	...	
	1939	.....	......	3,214,308	†66,658	145,762	10,389	...	15.99	4.92	Nil	36,909	237,972	...	...	...	

TELEPHONES

Company	Year	Telephones in Service	Net Bonded Debt $	Gross Income $	Depreciation $	Taxes Paid $	Bond Interest Covered	Share Pfd. $	Profits Com. $	Com. Dvd. $	Surplus after Charges $	Net Working Capital $	Price Range Common Stock 1942-43 High	Low	Last	Directors
Maritime Telegraph & Telephone	1942	55,719	4,500,000	3,106,425	515,646	794,595	*6.80	3.46	1.03	0.80	93,596	796,847	15⅛	14	15½	J. H. Winfield, chm. of board; W. A. Winfield, pres.; E. L. MacDonald, vice-pres.; W. R. Pewall, Hon. F. R. Davis, F. Smith; Halifax; Frederick Johnson, C. F. Sise, Montreal; A. J. Campbell, Truro; George Killam, Yarmouth; James McConnell, Sydney; J. W. McLeod, New Glasgow.
*Before income taxes.	1941	51,434	4,500,000	2,726,382	377,921	652,869	*5.63	3.16	0.93	.77½+.02½	54,615	1,010,437	16½	15	..	
	1940	46,618	3,500,000	2,331,694	358,554	454,033	3.64	2.91	0.86	.70+.10	25,242	203,437	17½	15	..	
	1939	43,483	3,500,000	2,094,536	342,506	278,952	3.64	2.91	0.87	.70+.10	29,179	260,112	16	15⅞	..	
New Brunswick Telephone	1942	38,875	Nil	2,114,782	378,594	400,093	...	...	0.57	0.50	47,874	*169,090	..	..	..	*Hon. F. B. Black, pres., Sackville; *H. P. Robinson, vice-pres.; W. C. Allison, *W. E. Golding, Saint John; J. M. Robinson, Rothesay; Hon. R. B. Hanson, Fredericton; E. W. Mair, Woodstock, N.B.; *P. A. McFarlane, Montreal; H. O'Leary, Richibucto; *F. R. Sumner, Moncton; A. D. Ganong, St. Stephen; G. P. Burchill, South Nelson; W. J. Kent, Bathurst; Hon. G. B. Jones, Apohaqui; Pius Michaud, Edmundston. *Members of executive committee.
*Excess curr. liab. over curr. assets.	1941	37,230	Nil	1,892,354	313,020	377,512	...	...	0.63	0.50	79,740	*45,519	..	..	..	
	1940	34,109	Nil	1,611,532	294,488	257,908	...	...	0.52	0.50	12,511	8,296	..	..	..	
	1939	32,348	Nil	1,481,432	284,321	53,694	...	...	0.51	0.50	8,696	207,260	..	..	..	

INDUSTRIALS

Company	Year	Net Bonded Debt $	Gross Income $	Depreciation $	Taxes Paid $	Bond Interest Covered	Share Pfd.	Profits Com.	Com. Dvd. $	Surplus after Charges $	Net Working Capital	Price Range Common 1942-43 High	Low	Last	Directors
Acadia Sugar Refining	1942	3,370,000	......	Figures Not Available		...	....	....	...	......	......	...	...	...	P. R. Gardiner, pres.; Hon. S. A. Hayden, vice-pres. & sec.-treas.; B. L. Laycock, L. W. Allen; Toronto; T. J. Dillon, New York.
*Mos. to Sept. 30.	1941	3,457,000	......	......	......	...	....	....	...	......	......	...	...	...	
	1940	3,534,000	......	......	......	...	....	....	...	......	......	...	...	...	
	1939	3,614,000	*548,390	*125,317	......	...	....	....	Nil	......	1,991,431	...	...	...	
Bathurst Power & Paper	1942	Nil	1,822,887	430,523	501,453	...	‡1.88	§d0.07	1.50	150,114	4,226,981	15¼	10⅜	13	R. L. Weldon, pres.; H. J. Webb, vice-pres. & sec.-treas.; P. A. Thomson, vice-pres.; Joseph Simard, F. J. Campbell, A. J. Nesbitt, J. B. Woodyat; Montreal; H. P. Robinson, Saint John; R. C. Ivey, London, Ont.
*Corp. tax and prov. for income tax. dDeficit. ‡A. §B.	1941	Nil	2,073,884	427,931	*635,223	...	2.30	0.17	1.25	418,447	3,649,709	14½	10	...	
	1940	Nil	1,728,504	346,127	*527,275	...	1.97	d0.04	1.00	386,743	2,800,093	15⅛	6½	...	
	1939	Nil	517,811	328,900	*36,226	...	0.20	d2.40	0.25	d18,803	2,483,448	15½	4¾	...	
Dominion Steel & Coal	1942	4,408,000	*4,839,792	3,247,271	**	1.08	....	0.98	Nil	1,021,745	15,565,390	10¾	5½	10⅛	Arthur Cross, pres., Montreal; H. J. Kelley, 1st vice-pres. & gen. mgr., Sydney, N.S.; C. B. Lang, vice-pres.; Hon. C. P. Beaubien, R. A. C. Henry, G. H. Montgomery, C. W. Webster, M. W. McDonald, Montreal; C. J. Burchell, A. N. Jones, Halifax; J. H. Gundy, J. A. Kilpatrick, Toronto; D. W. Fraser, New York; Dr. G. B. Waterhouse, Boston.
*After expenses, income tax prov., etc. **Not stated.	1941	4,408,000	*3,448,797	1,795,925	**	5.23	....	1.12	Nil	1,166,053	13,349,317	9⅝	6	...	
	1940	4,408,000	*3,155,684	1,551,036	**	5.20	....	1.11	Nil	1,157,374	11,133,579	15⅞	6½	...	
	1939	4,408,000	*2,938,194	1,212,769	†101,000	5.84	....	1.28	Nil	1,332,599	9,765,687	18½	7½	...	
Enamel & Heating Product	1942	*400,000	†148,949	36,609	§54,477	...	....	1.86	Nil	54,863	108,614	6	2½	6	N. A. Hesler, pres. and man. dir., Sackville, N.B.; N. T. Avard, vice-pres., Amherst; F. R. Rand, gen. sales mgr.; H. Goldstein, works mgr.; C. C. Avard, C. W. Fawcett; Sackville; C. A. Lusby, Amherst.
*Held by bank as security. †Net earnings. §Income. ▲Excess curr. liab. over curr. assets.	1941	*400,000	†104,485	55,536	§22,083	...	....	0.91	Nil	26,866	22,857	3⅛	2	...	
	1940	*400,000	†59,263	54,398	§1,200	...	....	0.12	Nil	3,665	▲35,107	5½	2	...	
	1939	*400,000	†44,789	42,545	§336	...	....	0.01	Nil	308	▲75,537	3	⅝	...	
Fraser Companies	1942	9,067,000	5,092,666	1,203,000	†	5.54	....	....	Nil	‡2,549,369	5,165,447	17½	7	17½	Aubrey Crabtree, pres. and gen. mgr.; L. M. Sherwood, vice-pres., Edmundston; Harold Crabtree, A. H. Campbell, A. M. Irvine, H. P. Thornhill, Montreal; Lt.-Com. K. S. Maclachlan, Ottawa; S. F. Duncan, Toronto; F. C. Beatteay, Saint John, N.B.; Hon. R. B. Hanson, Fredericton.
†Not shown. *Deficit. ‡Before deducting income tax.	1941	9,574,000	5,196,281	1,203,000	†	5.34	....	....	Nil	‡2,432,947	3,665,463	14	4½	...	
	1940	10,782,000	3,330,345	1,203,500	310,500	1.91	....	1.00	Nil	369,237	3,965,926	20	6	...	
	1939	11,818,000	1,889,402	907,000	†	0.72	....	d0.56	Nil	*208,637	3,840,861	22	5	...	
Gypsum Lime & Alabastine	1942	2,900,000	1,720,609	*309,609	490,000	5.34	....	0.53	Nil	235,115	1,203,875	7⅛	2¼	7	Col. Hon. Henry Cockshutt, chm., Brantford; G. A. Dobbie, pres., Galt; C. G. Cockshutt, vice-pres., Brantford; J. E. McConnell, vice-pres., London; P. P. Tyler, man. dir., Toronto; J. R. Inksater, Paris; S. G. Dixon, Montreal.
*And depletion.	1941	3,105,000	1,726,711	*303,736	325,000	4.81	....	0.53	Nil	233,318	1,160,678	4¼	2	...	
	1940	3,435,500	1,359,904	261,945	159,526	2.94	....	0.47	Nil	208,042	1,032,946	5½	2¼	...	
	1939	3,538,500	1,056,036	183,619	35,384	1.99	....	0.38	Nil	165,069	856,558	7	3	...	
Intercolonial Coal	1942	Nil	77,788	......	*30,603	...	23.80	3.13	4+1.00	†8,680	767,088	40	35	40	C. A. Paterson, pres.; R. W. Reford, vice-pres.; Dr. J. W. A. Hickson, W. H. Clark-Kennedy; Montreal.
*Income tax provision. †Deficit.	1941	Nil	83,991	......	*34,133	...	25.14	3.40	5.00	†16,006	747,206	50	39	...	
	1940	Nil	105,999	......	*36,811	...	34.89	5.33	6+1.00	†16,676	734,667	51	50	...	
	1939	Nil	61,655	......	*9,416	...	29.32	3.64	4.00	†3,641	732,323	55	45	...	
Irving Oil	1942—Not available.														K. C. Irving, pres.; F. J. Brennan, vice-pres.; E. C. Hodgins, sec.-treas.; R. D. Patterson, Saint John.
*After selling expenses, etc. †Year ended Jan. 31. ‡After participation.	1941†	......	*770,225	349,120	135,000	...	24.9	‡2.80	Nil	151,382	225,177	...	...	...	
M. R. A. Holdings	1941*	Nil	†137,982	20,727	40,000	...	....	0.94	...	......	616,678	...	...	...	W. C. Allison, pres.; C. Mackay, L. N. Lingley, J. D. MacKenna, J. MacMurray, W. Vassie, A. C. Glennie, Saint John.
*As at Jan. 31. †After operating expenses.	1940*	Nil	110,022	20,034	15,748	...	....	....	...	......	......	...	...	...	
Maritime National Fish	1942*	Nil	†87,826	......	......	...	....	....	...	......	289,014	...	...	...	H. G. Connor, pres.; J. McG. Stewart, vice-pres.; H. V. D. Laing, sec.; W. I. McDougall, H. P. Connor; all of Halifax; S. G. Matthews, Montreal.
*Year ended Apr. 30. †Net profits.	1941*	Nil	†81,468	......	......	...	....	....	1.00	......	234,256	...	...	...	
	1940*	Nil	†97,050	16,000	46,062	...	....	....	0.45	53,929	233,538	...	...	...	
Mersey Paper	1941	5,171,500	*1,407,897	659,885	172,136	2.70	5.72	0.07	Nil	136,031	1,570,820	...	...	...	Col. C. H. L. Jones, pres. & man. dir., Liverpool, N.S.; J. McG. Stewart, vice-pres.; B. J. Waters, gen. mgr.; P. R. Jack, J. C. MacKeen, Halifax, N.S.; Col. J. L. Miller, Spithead, Bermuda.
*After depletion.	1940	5,286,500	*1,442,412	642,811	157,047	2.67	6.66	0.39	Nil	332,965	1,395,547	...	...	...	
	1939	5,999,500	*1,543,953	628,763	87,671	2.53	8.76	1.09	Nil	437,781	1,852,623	...	...	...	
Minas Basin Pulp & Paper	1942	797,400	*1,713,162	......	......	...	....	....	...	......	......	...	...	...	Albert Parsons, pres., Walton, N.S.; D. W. Murray, vice-pres.; R. A. Jodrey, man. dir. and sec.-treas.; T. B. Akin, Jr., J. J. Jodrey, Hantsport, N.S.; G. A. Chase, L. B. Chase, Port Williams, N.S.; F. M. Covert, F. C. Manning, R. W. Harris, Halifax; K. L. Crowell, Bridgetown, N.S.; Mrs. A. L. Wright, Wolfville, N.S.; K. L. Warren, Riviere du Loup, Que.
*Gross earnings.	*1940	......	458,121	......	......	...	....	....	...	......	......	...	...	...	
	1939	686,349	530,231	76,366	9,978	...	....	....	Nil	55,871	*137,999	...	...	...	
Moirs Ltd.	1942	725,500	*450,875	78,053	†198,293	8.56	13.44	4.68	Nil	130,999	865,889	...	...	...	J. C. MacKeen, pres.; W. K. McKean, vice-pres.; W. B. Procter, man. dir.; C. W. Stairs, J. McG. Stewart, D. R. Turnbull; Halifax.
*After expenses, taxes, etc. †Prov. for income tax.	1941	739,400	*270,028	89,416	†66,972	4.07	7.09	0.69	Nil	69,158	735,888	...	...	...	
	1940	750,000	*223,480	101,691	†24,000	2.71	5.42	d0.37	Nil	52,789	651,377	...	...	...	
	1939	750,000	*115,045	70,045	......	1.00	Nil	d3.77	Nil	Nil	557,460	...	...	...	
Robin Jones & Whitman	1942*	150,867	182,512	35,958	†56,171	...	7.07	1.60	Nil	9,629	557,542	...	...	...	A. H. Whitman, pres. and man. dir.; A. N. Jones, vice-pres.; P. L. Whitman, sec.-treas.; W. M. King, E. A. Bouillon, Halifax.
*Year ended Feb. 28. †Income tax.	1941*	155,733	137,570	32,082	†27,727	...	5.75	d0.38	Nil	10,607	556,984	...	...	...	
	1940*	160,600	132,174	30,234	†10,915	...	7.20	1.95	Nil	23,690	543,790	...	...	...	
Standard Clay Products	1942	457,900	132,546	†30,972	*27,102	2.88	....	3.28	Nil	24,636	353,207	5½	1	5½	C. S. Trotter, pres. and man. dir., St. Johns, Que.; T. McA. Stewart, Walter Molson, H. W. Molson, 1st vice-pres., Montreal; J. P. L. Stewart, 2nd vice-pres., Lennoxville; Major C. T. Trotter, St. Johns, Que.; H. B. McCulloch, New Glasgow, N.S.
†And depletion. *Income tax. ‡Deficit.	1941	457,900	136,571	†30,551	*26,486	3.04	....	3.94	Nil	29,595	330,887	5	1	...	
	1940	457,900	113,724	†31,391	*12,013	2.21	....	2.84	Nil	21,311	309,204	2	¼	...	
	1939	457,900	72,111	†28,563	......	0.96	....	d0.13	Nil	‡1,001	260,041	1	1	...	
Stanfields, Ltd.	1942	80,000	128,444	......	......	...	....	12.84	5.00	78,444	1,046,663	...	...	...	F. T. Stanfield, pres.; C. E. Stanfield, vice-pres.; A. J. Campbell, H. F. Bethel, E. B. McDaniel, Truro.
*After bad debts, deprec., taxes, etc.	1941	100,000	*129,006	......	......	...	....	12.90	5.00	79,006	1,518,588	...	...	...	
	1940	120,000	*137,201	......	......	...	....	13.72	2.50	112,201	1,452,575	...	...	...	
	1939	140,000	*129,650	......	......	...	....	12.97	5.00	79,650	1,359,305	...	...	...	
Super-Service Stations	1942	605,000	256,669	73,390	48,822	...	33.56	42.10	8.00	68,190	322,471	...	...	...	F. C. Manning, pres.; R. W. Harris, vice-pres. and gen. mgr.; J. McG. Stewart, P. J. Smith, Jr., Halifax; F. A. Brennan, Kentville, N.S.; R. A. Jodrey, sec., Hantsport, N.S.
	1941	625,000	266,765	88,227	50,299	...	26.95	32.17	8.00	48,340	192,150	...	...	...	
	1940	640,000	245,424	82,771	30,326	...	24.44	36.31	10.00	41,169	204,483	...	...	...	
Sussex Ginger Ale	1942	......	210,444	15,423	18,981	...	....	....	Nil	8,048	69,180	...	...	...	James MacMurray, pres.; J. D. McKenna, vice-pres., Saint John, N.B.; J. A. Ferguson, man. dir.; J. H. McFadzen, Sussex, N.B.; W. U. Appleton, Moncton, N.B.
	1941	......	234,384	17,716	16,350	...	2.45	1.60	Nil	6,399	104,649	...	...	...	
	1940	......	174,236	14,951	6,700	...	1.83	0.49	Nil	1,751	90,244	...	...	...	
	1939	......	144,793	14,735	3,321	...	....	....	Nil	5,194	76,988	...	...	...	
United Service	1942	390,400	465,697	152,389	123,502	...	1.39	4.86	Nil	125,831	644,200	...	...	...	F. C. Manning, pres.; R. W. Harris, vice-pres.; J. McG. Stewart, Halifax; L. E. Grosscup, Kentville, N.S.; C. R. Taylor, Windsor, N.S.; R. A. Jodrey, sec., Hantsport, N.S.
	1941	406,900	464,216	135,391	96,485	5.82	1.06	3.31	Nil	85,091	473,771	...	...	...	
	1940	426,400	440,240	125,300	58,294	5.25	1.12	3.49	Nil	90,065	427,494	...	...	...	
	1939	442,400	330,039	113,615	......	3.80	....	....	Nil	55,808	367,589	...	...	...	
Zellers, Ltd.	1943*	Nil	†10,648,382	209,433	615,000	...	10.45	2.15	1.00	118,401	1,034,553	15¼	10½	15	W. P. Zeller, chm. & pres.; R. T. Hartt, vice-pres.; W. C. Nicholson, R. D. Bell, Hon. W. Gagnon- Montreal; G. F. Brooks, Providence, R.I.; J. W. McColl, Toronto.
*Year ended Jan. 31. †Sales.	1942*	65,000	†9,621,970	201,725	390,000	...	12.42	2.62	1.00	227,735	840,211	13	8½	...	
	1941*	92,000	†7,806,104	156,802	210,000	...	9.68	1.96	...	245,398	880,778	13	8½	...	
	1940*	122,000	†6,180,192	130,153	60,150	...	8.44	1.61	...	201,367	646,381	9½	7	...	

TRUST CO'S

Company	Year	Liabilities: Total Liabilities to Public $	Distribution of Assets: Liquid Assets $	Mortgages $	Other Net Assets $	Total Securing Assets $	Shareholders' Position: Net Profit $	Net per Share $	Paid per Sh. $	Surplus Forward $	Trusts Estates, etc. $	Directors
Acadia Trust	1942	798,670	772,929	25,741	*1,045,110	1,843,780	44,500	22.25	19.00	45,110	6,758,471	A. R. Coffin, Truro, chm. of board; Harold F. Bethel, pres. and mgr.; C. E. Stanfield, vice-pres.; F. L. Milner, Amherst; J. W. MacLeod, New Glasgow; H. M. Chase, Kentville; F. C. Manning.
*Capital acct. assets, less tax reserve & accts. pay.	1941	812,835	769,179	43,656	*1,038,610	1,851,445	39,324	19.66	19.00	38,610	6,179,940	
	1940	783,580	768,862	14,718	*1,037,870	1,821,450	54,359	27.18	19.00	37,870	5,857,503	
	1939	775,149	760,255	14,894	*1,021,512	1,796,661	59,143	29.57	20.00	21,511	5,776,227	
Central Trust of Canada	1942	1,333,696	17,841	1,315,855	132,244	1,465,940	6,074	6.06%	6.00	32,045	4,705,158	Hon. F. Magee, pres.; A. C. Chapman, 1st vice-pres.; J. F. H. Teed and H. M. Wood, vice-pres.; Hon. E. A. Reilly, sec.; E. R. Ritcey, gen. mgr.; C. C. Avard, C. W. Fawcett, W. F. Fergusson, J. Le Roy Holman, R. A. MacNaughton, Senator C. McArthur, R. McManus, W. F. Napier, F. R. Sumner.
	1941	1,129,154	81,066	1,048,088	132,191	1,261,345	6,144	6.13%	6.00	31,983	4,627,380	
	1940	1,042,220	5,865	1,036,355	132,051	1,174,271	6,598	6.58%	6.00	31,851	4,437,013	
	1939	1,002,752	24,114	978,637	131,464	1,134,215	7,714	7.70%	6.00	31,264	4,181,641	
Eastern Trust	1942	6,180,851	4,655,824	1,525,027	1,377,260	7,558,112	84,076	8.40	8.00	27,260	59,006,424	Hon. F. M. McCurdy, pres.; T. F. Tobin and F. P. Starr, vice-pres.; R. G. Beazley, A. J. Campbell, A. L. Chipman, A. K. Cameron, H. J. Hague, Lt.-Col. J. C. MacKeen, J. MacNeil, Hon. C. W. Robinson, C. W. Stairs, Capt. D. C. Sinclair, H. R. Silver, J. H. Winfield, A. S. Fraser, J. W. Godfrey, C. B. Smith, Hon. W. D. Ross, Col. D. H. McDougall, Hugh MacKay.
	1941	6,114,157	4,516,644	1,597,514	1,376,949	7,491,103	80,299	8.03	8.00	26,949	57,399,803	
	1940	5,047,565	3,387,991	1,659,574	1,376,650	6,424,215	80,390	8.04	8.00	26,649	56,011,013	
	1939	5,936,775	4,175,069	1,761,707	1,376,260	7,313,036	106,115	10.61	8.00	26,259	55,104,022	
General Trust & Executor	*1943	1,014,471	205,507	808,964	311,187	1,325,658	13,507	5.35	4.00	8,887	1,067,403	E. L. Macdonald, pres.; W. R. Powell, vice-pres.; G. McL. Daley, Hon. F. R. Davis, G. B. Isnor, F. H. Manning, C. S. Morton, W. D. Piercey, C. L. Sanderson, L. E. Shaw, Lt.-Col. S. C. Oland, A. D. Smith, J. T. Cumming, H. J. Kelley, H. N. Stanbury, J. McConnell.
*Years ended Feb. 28.	*1942	963,957	160,814	803,143	307,773	1,271,730	11,072	4.39	4.00	15,473	890,163	
	*1941	984,559	293,461	691,098	306,792	1,292,351	12,608	4.99	4.00	14,492	774,326	
	*1940	901,863	141,508	760,335	304,277	1,206,120	16,838	6.70	4.00	16,976	673,938	
Maritime Trust	1942	......	224,828	......	15,159	*216,680	5,928	3.46	2½%	31,614	2,950,896	H. P. Robinson, pres.; F. C. Beatteay, P. G. Clark, C. F. Inches, vice-pres.; W. C. Allison, J. B. Dever, J. MacMurray, J. D. McKenna, A. N. McLean, R. H. McLean, Hon. A. P. Paterson, C. A. Masters, H. C. Wilson, A. H. Wetmore, all of Saint John; Hon. F. B. Black, Hon. A. B. Copp, Sackville, N.B.; W. W. Boyce, L. S. Morrison, J. A. Reid, J. J. F. Winslow, Fredericton, N.B.; G. P. Burchill, South Nelson, N.B.; H. A. Carr, Campbellton, N.B.; W. F. Fraser, New Glasgow, N.S.; Hon. G. B. Jones, Apohaqui, N.B.; E. W. Mair, Woodstock, N.B.; F. M. Ross, Montreal; Hugh MacKay, Rothesay, N.B.; G. J. Tweedy, Charlottetown, P.E.I.; H. O'Leary, Richibucto, N.B.; W. J. Kent, Bathurst, N.B.; H. J. Flemming, Juniper, N.B.
*After curr. liab. of $23,307 in 1942, $14,936 in 1941, $19,627 in 1940, and $14,873 in 1939.	1941	......	214,764	......	1,518	*201,346	4,442	2.59	2½%	29,970	2,824,650	
	1940	......	215,052	......	1,478	*196,903	8,266	4.82	5%	25,528	2,623,594	
	1939	......	217,899	......	2,749	*205,775	9,487	5.54	5%	34,399	2,882,871	
Nova Scotia Trust	1942	1,529,809	407,165	1,122,645	775,845	2,305,655	*43,985	8.79	7.00	25,845	11,148,192	M. S. Clarke, pres.; B. P. Sanders, R. W. Elliott, vice-pres.; C. W. Anderson, L. A. Forsyth, A. A. McIntyre, M. J. Wardrope, Hon. W. H. Dennis, G. E. Graham, G. H. Murphy, J. A. Young, A. N. Jones, J. E. Rutledge, W. C. Macdonald.
*After write-offs and transfers to reserves.	1941	1,777,070	552,305	1,224,866	770,104	2,547,175	*43,206	8.64	7.00	20,104	10,858,234	
	1940	1,412,769	115,050	1,297,719	763,855	2,176,624	*53,103	10.62	7.00	18,855	9,424,194	
	1939	1,445,493	80,200	1,365,294	760,716	2,206,210	*54,697	10.93	7.00	25,716	8,889,426	

Trust Firms Serve Maritimes

Acadia Trust

Since beginning operations 23 years ago in Truro, N.S., Acadia Trust Co. has reported growth in total assets from $1.2 million to $8.6 millions as of Nov. 30, 1942, date of its last annual statement. Increase in the number of estates under administration accounted for most of this growth.

At the same date, guaranteed funds of $798,670 showed reduction of some $14,000 on the year while liquid assets moved up moderately. Value of mortgages held dropped some $18,000 to $25,741.

Improvement in the company's profit position during 1942 was indicated by the net per share which was equal to $22.25 as compared with $19.66 in 1941.

Eastern Canada Savings

Eastern Canada Savings & Loan Co. has nearly all of its mortgage holdings in Nova Scotia, particularly in Halifax. One of the oldest of its type, this company was incorporated in 1888 with assets of $72,580. Since then this figure has climbed to $4¾ millions, as reported for the year ending Dec. 31, 1942.

In 1942, the company's net profits declined to $5.72 a share from $7.51 in 1941, a decrease reflected in the dividend rate which was altered to $6 a share in 1942 from $7 in 1941.

Represented by debentures and deposits, liabilities during 1942 dropped $120,000 to $3.5 millions, while securing assets totalled $4.7 millions as compared with the previous year's figure of $4.8 millions.

Cash on hand and in banks, together with bonds and stocks totalled $842,656 or around $80,000 higher than in 1941 and indicated improvement in liquidity of the securing assets. Mortgage investments, however, showed a decline of $180,000 to $3.8 millions, which was partially offset by an increase in victory bond investment of $100,000.

Central Trust

Its mortgage investments confined principally to New Brunswick Central Trust Co. of Canada maintained its earnings position during 1942 with net profit of 6.06% on paid up capital compared with 6.13% in 1941. The dividend rate of 6%, consistent since 1934, was maintained for 1942.

Expansion in different directions was reported by the company during the year, total assets at the end of 1942 amounting to over $6.1 millions as compared with the $5.8 millions on hand at the close of 1941. Estates, trusts and agencies under administration totalled $4.7 millions, representing but a slight increase over the $4.6 millions in the previous year.

Guaranteed trust funds advanced some $200,000 during 1942 to a total of over $1.3 million. Securing assets at $1.4 million compared with $1.6 million at the end of 1941.

The company's best earnings period in its history was in 1939 when net equalled 8.54% of the paid-up capital. In 1940, earnings were 6.58%.

Head office of the company is in Moncton. It has branches in Fredericton, Woodstock and Saint John.

Eastern Trust

Eastern Trust Co. is one of the largest trust companies in the Maritime area and has now been operating for over 50 years. The head office is at Halifax and branches are maintained at Saint John, Moncton, Charlottetown, St. John's, Nfld., Montreal and Toronto.

Despite the heaviest tax burden in its history, the company in 1942 showed a moderate expansion in earnings, net being $8.40 a share compared with $8.03 a share in 1941. The dividend was continued at $8. Its guaranteed account at the end of 1942 was close to $6.2 millions secured by $7.5 millions of assets. Greater liquidity was noted among securing assets, liquid assets moving up around $140,000 to $4.6 millions while mortgage holdings declined $70,000 to $1.5 million. Estates, trusts and agencies under administration increased in 1942 to $59 millions compared with $57.4 millions the year before.

Mortgage Corp.

Mortgage Corp. of Nova Scotia, a Dominion incorporation with its head office in Halifax, has been operating since 1901 as a mortgage lending institution. Its activities are restricted to Nova Scotia, all loans on real estate being confined to that province. It does not operate branch offices.

During 1942 this company's earnings showed a moderate increase to 5.26% on its paid up capital as compared with 5% in the previous year.

A policy was adopted several years ago of withdrawing gradually in some districts where conditions have proved unsatisfactory. This policy was being continued at last report. During 1942, the company's Halifax business was again substantially increased.

Maritime Trust

Maritime Trust Co., with head office at Saint John, is principally concerned in handling estates. It does not accept deposits from the public nor does it issue guaranteed trust certificates. Branch offices are located at Charlottetown, P.E.I., and there are agencies in Summerside, P.E.I. and Fredericton, N.B.

At the end of 1942, estates under administration amounted to over $2.9 millions as compared with $2.8 millions during the 1941 period. Reporting that practically every department had shown improvement during the year, this company indicated material gain in earnings during 1942 with 3.46% on paid up capital as compared with 2.59% in the previous year, the regular 2.50% dividend being paid in both years.

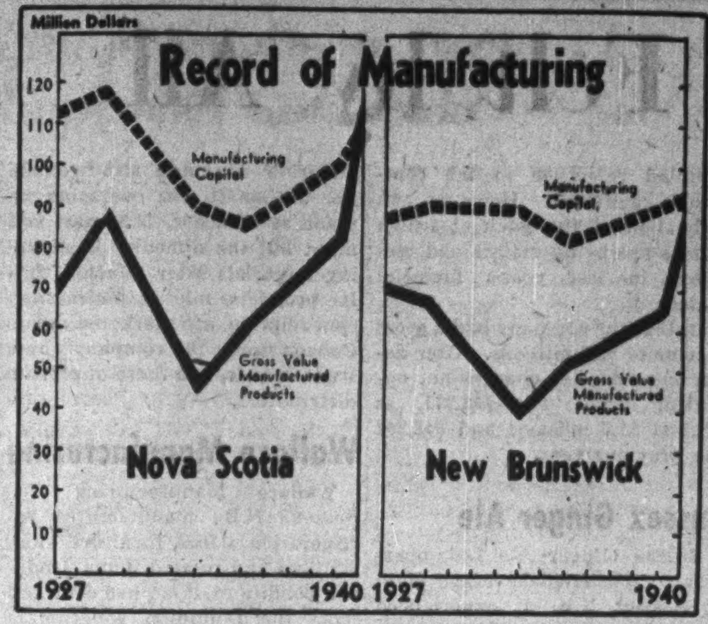


Chart by The Financial Post

Statistics show that capital invested in Maritime manufacturing, and the gross value of products, have climbed sharply since war's outbreak. New Brunswick and Nova Scotia have overtaken the ground lost during the depression, are busier now than ever in history.

General Trust

Net profit of General Trust & Executor Corp., Halifax, was equivalent to 5.3% on capital in the year ended Feb. 28, 1943, as compared with 4.9% in the previous period. A moderate improvement in earning power was shown. The annual dividends of 4% were continued.

Guaranteed trust account increased by some $40,000 during 1942, passing the $1 million mark. Securing assets included mortgage holdings, up $5,000 to $808,964; bond and debenture investments, up $30,000 to $125,985; cash, up $14,000 to $79,522.

Estates, trusts and agencies account at the end of the 1942-43 fiscal year totalled $1.1 million, an increase of $170,000.

The company has had its headquarters in Halifax since its foundation in 1929.

N. S. Trust

Nova Scotia Trust Co. confines its business to its own province and has its head office at Halifax, a branch office being maintained at Sydney.

Latest annual report of this company indicates a continuing expansion in its asset position for the year ending Feb. 27, 1943. At that time total assets were shown as $13.5 millions, an increase of some $40,000 on the year. Estates, trusts and agencies under administration and totalling $11.1 millions showed increases of about $300,000.

Better profits were reported for the year under review, the net at $8.79 a share being favorably compared with $8.64 in the previous fiscal year. Dividends, which have been paid at the rate of $7 for the past 24 years, were continued.

Oil, Gas Firms Carry On

Irving Oil

Irving Oil, which in 1941 handled approximately one third of the gasoline and oil business in the Maritimes, has improved its position in relation to its share of the improved general conditions in the eastern provinces.

Wartime restrictions, however, such as rationing and oil controls, have had their expected effect, and it is held likely that business and sales of the company this year will be somewhat less than in 1941 or 1942.

The general downward curve during wartime of gas and oil supply to Canada and domestic sale has had a bearing upon all distributors in the Maritimes. After the war, when conditions return to normal, the position of the fuel companies will be considerably clearer.

Maritime Accessories

Maritime Accessories is one of the chief operating subsidiaries of United Service Corp., and was able to report a moderate advance in sales for the first five months of 1942 compared with the same period in 1941.

The firm has been encountering the conditions under which the entire automotive trade is working as the expected outcome of wartime contingencies.

In 1941 the company had brisk tire sales, but since then restrictions on almost all fronts of the automotive trade have continued to be imposed, so that today the outlook is more uncertain.

United Sales

United Sales Corp. is a holding company controlled by the Irving interests of Saint John. Operations of United Sales Corp. are carried on principally through Commercial Equipment Ltd.

The latter firm handles supplies and fittings of all kinds, including industrial, electrical and Diesel. The firm is active in all three Maritime Provinces, with branch offices in Sydney and Halifax as well as the head office in Saint John.

United Service

United Service Corp. is a holding company which through subsidiaries controls more than 20 units in Nova Scotia, and is thus an important influence in the Maritime automotive equipment and supply trade.

The principal subsidiaries are Super Service Stations Ltd., Provincial Oils Ltd, Maritime Accessories Ltd., and Manning Equipment Ltd.

These companies provide many services, such as sale and servicing of automobiles, parts and accessories, radios, refrigerators, special electrical equipment, oil and gas, motor coach lines.

Super Service Stations

Net profit of Super-Service Stations, Ltd., and its subsidiary, Provincial Oils Ltd., was reported at $100,690 in 1942. Deductions included adjustments on property of $17,591 and provision for taxes amounting to $48,822; depreciation and write offs of $86,029. Super-Service Stations is controlled by United Service Corp.

The company paid dividends of $16,500 on the preference shares and $16,000 on the common during the year. Serial bonds of $20,000 par value matured and were redeemed in 1942.

Net working capital was $322,471 at Dec. 31, 1942, a substantial improvement over the previous year, the president's report states.

The company's special claims in 1942 dealing with the inventory reserve and other matters have still to be dealt with by tax authorities.

N. B. Gas and Oil

New Brunswick Gas & Oil Fields, Ltd., with head office at Moncton, N.B., is primarily engaged in producing and distributing natural gas in the Moncton area. It produces a moderate quantity of crude oil and gasoline. Gasoline production is slightly more than 110,000 gallons annually. It is largely sold for industrial and tractor use, the surplus of around 35,000 gallons a year being sold to motorists through service stations.

Because the company was unable to comply with the octane rating regulations of the Oil Controller, these stations were closed. Gasoline offered for sale to motorists had an octane rating below the standard requirements, but when mixed with fuel of a higher octane rating, it is found to be satisfactory.

SCHWARTZ

For 102 Years a Part of the Maritimes

OLD friends are best! For over a century the people of these provinces have only had to say "Schwartz" to be SURE — of the finest coffee, the finest baking powder, the finest peanut butter, the finest spices and many other pure food products which are familiars on the shelves of big and little stores throughout the Maritimes.

So much for a good name — the fame of which has been carried beyond the Maritimes to Canada's other coast and over the seas to England. If you have not tried any Schwartz Product lose no opportunity to do so when you can . . .

Say Schwartz and be Sure!

W. H. SCHWARTZ & SONS LIMITED

Canada's Oldest Coffee and Spice House

AT HALIFAX SINCE 1841

"The King Fishers of Canada!"

ONLY one firm in the Dominion can use this slogan because only one firm deserves it. For nearly forty years Maritime-National have been aiming towards leadership in the fresh seafish trade—and by merit alone have won it.

Maritime-National are in name and deed the "Fresh Fish Specialists of Canada." No other firm can match their long-established reputation for quality and service in Fresh and Quick-Frozen Fillets of Cod, Haddock and Sole—nor their Smoked Fillets, Finnan Haddies and Kippered Herrings. They are noted also for such important bye-products as Fasterfat Fishmeal, Kelp Meal and Sea-Seald Medicinal Cod Liver Oil.

The free flow of Maritime-National's products is now impeded, however, by urgent civilian demands from Britain, plus the wartime shortages of schooners and labour.

Maritime-National Fish Ltd.

HALIFAX, NOVA SCOTIA

"Canada's Candy" Carries On

Down to the sea in ships — both Navy and Merchant Marine; with the Air Force; in the Army training camps and on the invasion shores of Victory goes "Moirs—Canada's Candy." It has been —and will be — on all the action fronts.

We do not wish to overemphasize the importance of our products in the field. But we do know the sustaining food and energy value and the "lift to the morale" which the familiar Moirs' products from home give to our armed forces wherever they may be.

Winning and holding public good will for Quality Products since 1830

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EASTERN UTILITIES LIMITED

CANADA ELECTRIC COMPANY, LIMITED

Amherst, Nova Scotia

supplies electric power and light to well-established industrial territories in Northwestern Nova Scotia and Southeastern New Brunswick. Pioneer in Canada in the generation of electricity by fuel at the pit mouth, this Company offers low cost power to industry, association with cheap transportation, good living conditions and a good supply of intelligent labour. General retail distribution covers Amherst and the surrounding districts, including Maccan, River Hebert and Joggins; it supplies power to the Dominion Coal Company, and some other users at Springhill, "to CBA Maritimes" at Sackville and to several mining companies in the extensive Cumberland Coal Basin.

MONCTON ELECTRICITY AND GAS COMPANY, LIMITED

Moncton, New Brunswick

supplies electric service to Moncton and suburban territory, and natural gas in Moncton and Hillsboro. Serving a vital industrial and transport centre of the Maritime Provinces, the operations of this Company have expanded steadily, sales of electrical energy increasing by over 50% since 1935.

THE EASTERN ELECTRIC AND DEVELOPMENT COMPANY, LIMITED

Sackville, New Brunswick

operates the electric transmission and distribution system in the Sackville area in New Brunswick. Its sales have more than doubled in the last five years.

JOGGINS COAL COMPANY, LIMITED

Amherst, Nova Scotia

operates the Joggins Coal Mine in the extensive Cumberland Bituminous Coal Field. The Mine was opened in 1939 and the output of coal has increased steadily until it is currently over 400 tons per day.

MARITIME COAL, RAILWAY AND POWER COMPANY, LIMITED

Amherst, Nova Scotia

an associated company, operates a steam Railroad between Joggins and Maccan, serving the coal companies in that area, and connecting with the main line of the Canadian National Railway System at Maccan.

These Subsidiary and Associated Companies of Eastern Utilities Limited Operate Essential Public Utility Services in Sound Maritime Communities

War's Effects Felt by All

Lewis Ltd.

Lewis Ltd. is an important Maritime textile unit with plants at Truro, N.S. Last year, despite the closing down in the latter part of 1941 of the full-fashioned ladies' hosiery department, sales were the largest in the history of the company.

Like others in the textile field, rising costs of materials and other expenses of manufacturing affected profits adversely, and the current year is expected to be less profitable. During the year, the management introduced some new products. Expansion in sales has brought expansion of preparatory operations such as combing and spinning while the cloth division expanded through additional shifts, etc. Shortage of male and female help is expected to cause difficulty in maintaining volume.

In the latter part of 1942 the hat division introduced the Rib-Felt hat, which strengthens the company's position in the men's hat field materially, the company states.

Gypsum, Lime

Gypsum, Lime & Alabastine (Canada) was forced to suspend operations at its Baddeck, N.S., gypsum quarry in 1942, due to inability to secure steamers to transport gypsum. Most of the other gypsum operators experienced a similar condition.

Even though Nova Scotia accounts for 90% of the gypsum produced each year in Canada, this industry has faced conditions which have necessitated almost a cessation of operations.

The Baddeck Bay property turns out a high-grade gypsum which in ordinary times is shipped by water to a large market.

Mersey Paper

Despite wartime difficulties, Mersey Paper Co., one of the Maritimes' largest newsprint manufacturers has been able to continue operations on a basis close to those of recent years at its Liverpool, N.S., plant. Location of the plant has been an important factor in the relatively favorable results of recent years.

Like many other companies in the Maritimes, Mersey Paper Co. is dependent on water transportation. Practically all the company's output is shipped to American and other markets by water. Possession of the company's own fleet of boats has been an important factor in maintaining regular shipments. Recent improvements in methods of dealing with the submarine menace suggest that the shipping bottleneck may become less serious later this year.

For years Mersey Paper Co. was handicapped by a relative shortage of working capital. The position in this regard has shown substantial improvement over a period of years, however, and funded debt has been gradually reduced. Bond interest has been covered by a wide margin.

Marven's Ltd.

Marven's Ltd., is a company engaged in the manufacture of biscuits at Moncton, N.B.

It was formerly part of the Canada Biscuit organization. Some years ago the property was purchased by local interests and since then operations have been expanded, expedited by wartime conditions. According to figures for 1941, gross business for that year amounted to nearly $950,000. After paying more than $115,000 and taking care of the cost of manufacture and selling, $22,074 net profit was carried forward into profit and loss accounts. Dividends on the preferred stock have been paid regularly while dividends on the common in 1941 amounted to 10%.

St. John Drydock

The stimulation which the war has brought to Canadian ports has influenced activities of the Saint John Drydock & Shipbuilding Co. The company owns and operates one of the more important graving docks on the Atlantic seaboard, and the favorable business conditions are expected to continue at least for the duration. Operations are carried on with the aid of a Dominion Government subsidy which is capitalized in the form of a bond issue. The subsidy is sufficient to pay interest and to retire the serial bonds as they mature.

Censorship regulations forbid detailed reference to the company's activities. However, an indication of the pitch at which affairs are being maintained was given in last year's financial statement.

In 1941 the company had a gross income of $2.2 millions. After deducting all prior charges net operating profit was $53,271, as against $1.7 millions and $58,262 the previous year.

Sussex Ginger Ale

Sussex Ginger Ale Ltd. operates a carbonated beverage plant at Sussex, N.B. It experienced substantial business in 1941, when the company showed a new high record of 500,000 cases sold, but business in 1942 reacted to some degree due to sugar rationing and the per bottle tax levied on the consumer.

Sales in 1942 were considered satisfactory in relation to general conditions. In the early part of the year carbonated beverages for sale to the armed forces were found to be moving well.

Restrictions on such sales were less heavy than those on production for civilian consumption, and the business made up a large share of the company's over-all operations.

Canada Veneers

Canada Veneers Ltd. has its plant at Saint John, and has been operating for some time at good capacity. Since the outbreak of the war the original plant has been trebled in capacity and latest reports suggest few marketing problems.

The company manufactures birch veneer, which has special qualities suitable for replacement of aluminum in certain parts of airplane manufacture.

Regular dividends have been paid for some time on the preferred stock.

N. S. Textiles

Like some other companies in its group, Nova Scotia Textiles Ltd. has been forced to slow down operations somewhat owing to difficulty in securing certain types of yarns. Normally it produces a wide range of knitted goods of both cotton and woollen materials for men and women. For a time it was operating its plant at Windsor, N.S. day and night but the difficulty in securing materials later affected this. Its products, mainly for civilian consumption, are marketed across Canada under the company's own trade brands, and those of private distributors.

Wallace Manufacturing

Wallace Manufacturing Co., Sussex, N.B., manufactures refrigeration plants, furniture, store fixtures and related items. Under war conditions, it has had contracts from the Dominion government for shell boxes and has also been making refrigerators for corvettes and the merchant marine.

The manufacture of goods for its regular market has been handicapped, it is understood, by the difficulties in obtaining necessary materials. Normally the company employs between 75 and 100 full-time employees and has a payroll of over $75,000 annually. It also contributes about $40,000 yearly to farmers in the district for timber.

Zellers Ltd.

Five of Zellers Ltd. 25 variety chain stores, are located in the Maritime provinces: three in New Brunswick at Fredericton, Saint John and Moncton; and two in Nova Scotia at Halifax, New Glasgow.

Sales in the largest unit at Halifax have been favorably affected by the high level of activity at the east coast port. Business experienced by the company in the Maritimes generally has shown the area to be one of the company's best marketing regions.

Zellers sales continued their upward trend last year, amounting to $10.6 millions for the year ended Jan. 31, 1943, more than a million higher than the previous fiscal year.

Maritime Life

An increase of over 50% in new insurance written was reported by Maritime Life Insurance Co. in 1942 and at the end of the year business in force had passed the $20 millions mark.

With headquarters at Halifax, the company continues to centre activities in the Maritime Provinces, Newfoundland, Leeward Islands, Bermuda, Bahamas, and Jamaica.

About 67% of total invested assets are in bonds, almost 27% of the total being in government securities.

The company has maintained its consistent record of growth in the face of wartime difficulties such as loss of personnel, difficulty of securing satisfactory investments which show a fair interest return, etc.

Assets continue to grow with a total of $4 millions reported for the end of 1942 compared with $1.5 millions at the end of 1933. Despite declining interest rates generally, the company earned 4.62% on its net mean ledger assets in 1942.

Atlantic Sugar

Atlantic Sugar Refineries Ltd., operates a sugar refinery at Saint John, N.B. The plant, which has a capacity of 1.3 million pounds a day, is on the Saint John harbor and has open navigation with access to raw materials. The plant supplies the demands of its own company together with that of its associated firm, Acadia Sugar Refineries, following the closing down of the latter at Woodside, N.S. The two companies are controlled by the same interests. Atlantic markets its products under the trade name "Lantic Sugar" but it continues to produce and package sugar under the trade brands of Acadia as well.

Public investment interest in the company is confined to the $1.5 million of 15 year bonds maturing Nov. 1, 1951, of these, some $22,000 were drawn for redemption March 1, 1943. The entire share capital of 160,000 shares of no par value is held by Acadia Sugar Refineries Ltd.

Stanfield's Ltd.

Stanfield's Ltd., Truro, N.S., is one of the larger wool and rayon underwear manufacturers in Canada. While export trade has been restricted due to war conditions, the company has been busy, partly on underwear for the armed services and also for the Canadian civilian public.

Normally the company does a fair volume of business with South Africa, and while this demand still exists, it is difficult to secure shipping space, and accordingly overseas trade is limited.

The company operates warehouses at Montreal, Winnipeg and Vancouver. Net profits in the year ending Dec. 31, 1942, amounted to $132,443, slightly higher than the $129,006 reported in the previous year.

Stanfield's Ltd. was originally established in 1856, the name being changed in 1905 to the Truro Knitting Mills Co., and in 1924, to the present style.

M. R. A. Holdings

Wartime activities in the Saint John area, bringing about increased employment and greater spending power, have increased sales and earnings of M. R. A. Holdings Ltd.'s subsidiary units.

The company was formed some time ago to acquire all the issued stock of Manchester, Robertson, Allison, Ltd., and of Vassie-Brock-Manchester. The former operates a large department store in Saint John, while the latter is a wholesale drygoods concern with branches throughout the three Maritime provinces.

When M. R. A. Holdings carried out public financing in 1941 it was intended to extend the departmental store building of Manchester, Robertson, Allison Ltd. However, the program was hampered due to priorities and other wartime contingencies.

Port Royal Pulp

Port Royal Pulp & Paper Co.'s plant at Fairville, N.B., has operated at or near capacity in the past year. Demand for high grade bleached sulphite pulp continues to be good and markets are available for virtually all production.

Last year about one half of the entire output went to the United States and the balance to the United Kingdom, but shipping problems, particularly in regard to the latter country, are troublesome.

The company does not make public its financial statements, but its earning power was reflected when some years ago $40,000 of serial bonds were paid off, leaving a balance of only $25,000.

VICTORY AND AFTERWARD

"The young men are thinking and thinking hard. They do not intend to make victory an end in itself. Their battle cry is 'Victory and afterward,' and they do not fight any worse for that." — From Beverley Baxter's London Letter (*Maclean's* for May 15, 1942).

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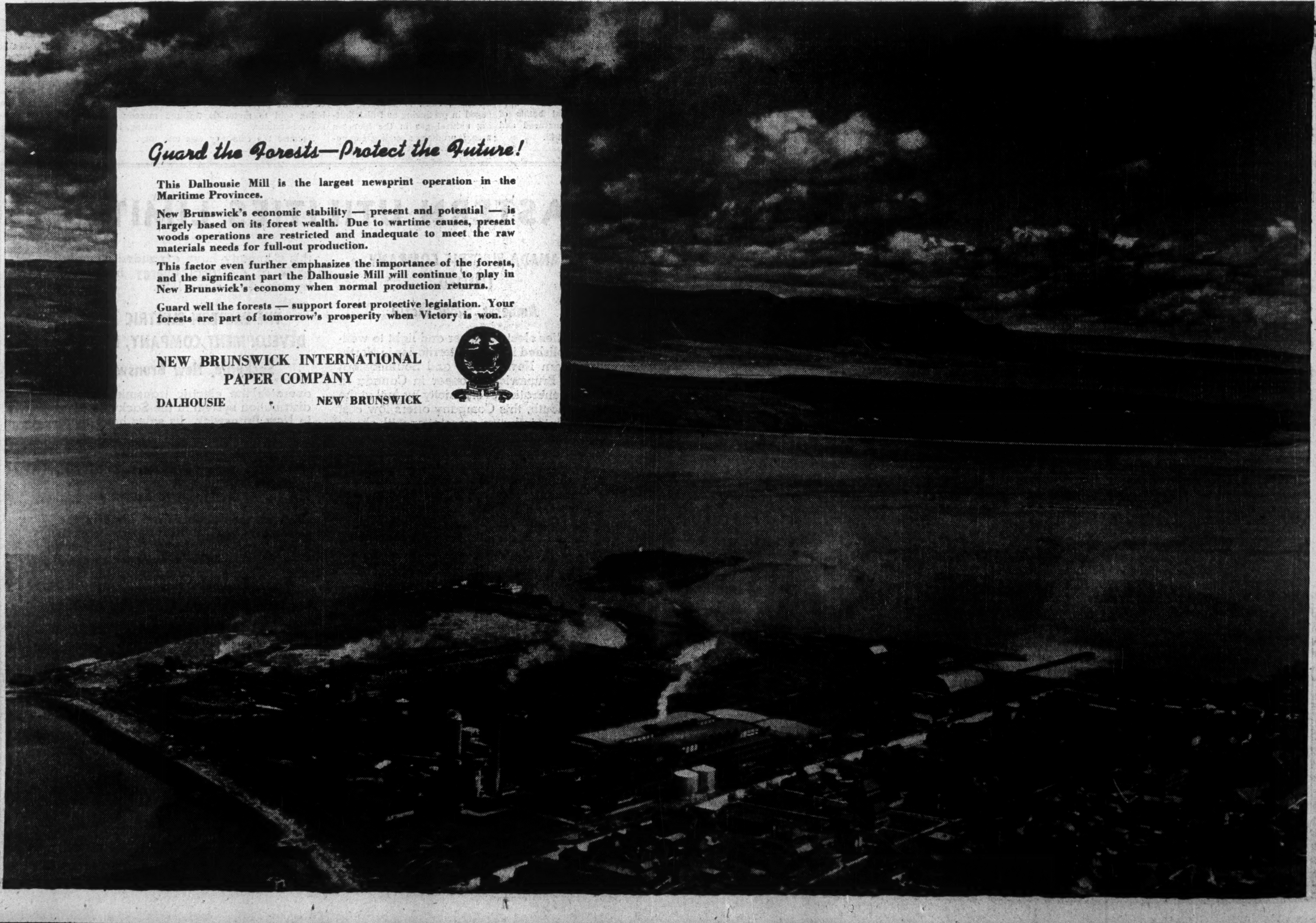

The Food Front

Potatoes Are Big Business

New Brunswick Plans Record Crop to Ease Shortage

New Brunswick is doing something about Canada's potato shortage.

While grocers in many cities were rationing potato sales to a couple of pounds to a customer to stretch supplies. N. B. farmers were busy increasing their potato acreage.

With any kind of luck, any kind of growing weather, their production will rise.

Last year it hit 11.3 million bushels—or roughly a bushel for every man, woman and child in the Dominion.

In 1942 New Brunswick grew 50,500 acres of potatoes, with an average yield of 225 bushels to the acre. Total value of the crop was $9.5 millions, compared with $7.9 millions in the previous year. This was the best return in 21 years.

Compared with 1941, last year showed an increase of 6% in N. B. potato acreage, 12½% in yield per acre, and one cent a bushel in price—84 cents against 83 cents.

Meanwhile prosperity has returned to an area of New Brunswick largely concentrated on potato growing—an area which suffered much during the early 1930's, when prices went so low it was hardly worth digging potatoes from the ground.

Potatoes are big business in the Maritimes. New Brunswick last year produced enough potatoes to provide a bushel for every man, woman and child in the Dominion. Here are tractors busy in a giant N.B. potato patch.

Not so long ago potato growers admitted, with a shrug, that their business was the biggest agricultural gamble in the world—that prices of no other commodity varied as much as prices of potatoes.

Many turned to a more varied type of farming for added security, remembering years when their fertilizer and labor costs added up to more than they realized for their crop.

But today potato men see developments which promise to take some of the element of chance out of their industry, promise to put it on a more stable footing. These developments include the establishment of starch factories and dehydration plants.

Much of the starch used on this continent and in South America came formerly from European countries. Its production in New Brunswick means two things:

1. A way of marketing surplus in years when there is an oversupply.

2. A way of turning culls, or inferior potatoes, into a marketable product.

The hope is that a market for New Brunswick starch can be held in the postwar.

Dehydrated Potatoes

Potatoes were dehydrated in the last war, but the industry afterwards died. Revived now, it has a process vastly superior to that formerly used, results in a product which, when cooked, can't easily be distinguished from fresh potatoes, and which retains a very high percentage of nutritional value.

Right now, dehydrated potatoes are earmarked for the armed forces and for those United Nations which need food relief, but there's a good deal of optimism about possibilities of a peacetime market.

It is pointed out that dehydrated potatoes lend themselves to almost any kind of cooking but baking, and could be used extensively by restaurants. They might also be put up in convenient packages for housewives.

The fact that dehydration makes a bushel of potatoes so light, so compact, cuts freight costs to a fraction when potatoes are shipped long distances. Thus it widens the potential market.

Great Britain has long had an embargo against Canadian potatoes because of the Colorado beetle—the familiar, yellow-striped potato bug. All efforts to have this lifted in the past have failed.

There could be no chance of this pest being carried across the Atlantic by dehydrated potatoes. Thus, the U. K. market for tubers may now be opened to Canada.

Studies Made

Meanwhile studies are being made of the possibility of developing other potato products. Guy Porter, of Andover, N.B., visited Europe shortly before the war to study the multiple uses found for the versatile potato in such countries as Germany and Belgium.

He made an interesting report and precipitated researches which are been quietly continuing.

Hon. F. W. Pirie, New Brunswick Minister of Lands and Mines, and H. H. Hatfield, M.P., have played a leading part in the manufacture of potato products.

Mr. Pirie, whose home is at Grand Falls, on the upper reaches of the St. John River, is one of the biggest potato growers in Canada. He is also in the export end of the business and was one of those who developed Cuban and South American markets for Canadian certified seed potatoes.

For years business trips took him frequently to Cuba and he sometimes made the journey in his own airplane. He is one of the more colorful figures in the political life of the Maritimes, and few Canadians are better known in Latin America.

Seed Potato Exports

Due to conditions of soil and climate, Cuba and the South American republics cannot grow their own seed potatoes, and depend for their supply on Canada and the United States. New Brunswick and Prince Edward Island fill a large part of their demand.

For the last year and a half New Brunswick and P.E.I. have experienced a strong demand for both seed and table stock in Ontario and Quebec. Export markets for seed, however, have fallen off sharply, because of the war. As a result, acreage of certified seed planted in New Brunswick in 1942 was only 6,145—the lowest since 1936 and only 50% of the acreage planted in the peak year of 1940.

Of Prince Edward Island's total potato acreage in 1942, amounting to 37,000 acres, almost 14,000 acres were entered for seed certification.

P.E.I. Outlook

The annual report of the P.E.I. department of agriculture comments:

"There was a considerable reduction in the acreage planted for certification during the past year. In looking forward to 1943 an increased production of potatoes is desired. The question of good seed is one that should command attention."

The report adds:

"The question of returns for the potato grower is one that has developed comments of a contradictory nature. The price ceilings have come under considerable criticism, and the fact that no floor has been established, according to claims from many growers, has left a condition of doubt surrounding the whole industry. With mounting cost of production and scarcity of farm labor, one would have to be an optimist to prophesy an increase in acreage during the next year unless very definite encouragement is given through marketing channels.

"The construction of a dehydration plant at Summerside has directed attention to this means of marketing as a partial solution for the marketing problem."

In New Brunswick, G. C. Cunningham, director of the potato production and marketing division, has worked out a comparison of the experience of the potato industry of that province in the last and the present war:

Present War

Crop Year	Acreage	Crop in Bus. (000)	Est. Value (000)
1940	54,300	11,493	$4,827
1941	47,800	9,560	7,918
1942	50,500	11,363	9,545

Last War

Crop Year	Acreage	Crop in Bus. (000)	Est. Value (000)
1915	40,000	5,772	$3,694
1916	39,000	7,488	6,290
1917	46,000	6,891	7,787
1918	57,272	9,077	9,077

Heyday of the potato business in New Brunswick came immediately after the last war. In 1919 acreage rose to 75,573, crop to 10.8 million bushels, and return to $10 millions. In 1920, acreage was 78,335, crop 15.5 million bushels, return $10.9 millions. In 1921, acreage was 78,335, crop was 15.5 million bushels, and return $14.6 millions.

In 1922, depression hit the potato industry. The acreage was 74,811, the crop 12.3 million bushels, but returns fell to $6.1 millions or around 50 cents a bushel.

By 1925 acreage had dropped to 40,000, where it was in 1915.

Mr. Cunningham draws the conclusion that potato consumption is much higher in wartime than in peace, gives the statistics in order that "each grower may judge for himself the advisability of increasing his acreage and the extent of the increase he can make."

History repeats itself. As in the last war, so in this, potato growers of the Maritimes are increasing acreage, finding larger markets, getting better prices. New Brunswick last year planted 50,500 acres of potatoes, producing a crop which aggregated a bushel for every man, woman and child in the Dominion. Total value of this crop was $9.5 millions, the best return in 21 years. Prince Edward Island, famed for potatoes, planted 37,000 acres last year, of which 14,000 acres were entered for seed certification.

387,615 Tons Of N. B. Coal

Although New Brunswick's coal output was down last year, as compared with 1941, it was still 20% higher than average annual production since 1932.

Total output was 387,615 gross tons. Of this, 14% was used by the New Brunswick Electric Power Commission's power plant at Newcastle Landing, 32% was used by the railways, and the balance was used chiefly by New Brunswick industries and institutions.

New Brunswick's coal fields are in the Grand Lake area, and employ about 1,000 men. Reduction in output in 1942 was caused by the labor shortage.

Municipal Debts Drop With Improved Conditions

New Brunswick's municipalities have shown a sharp gain in financial condition during 1942. Commissioner of Municipal Affairs George L. Walker's report for the year shows an overall improvement of $1.1 millions, made up of a betterment in current position of $771,211 and a capital improvement of $789,525.

Borrowings were low, only seven issues being sold during the entire year, with the result that net debenture debt of the province's municipalities ended the year at $16.5 millions, against $17.1 millions at the end of 1941.

A basic factor behind the improvement was the jump in the percentage of taxes collected to 109.4% of the gross warrant, as compared with 104.3% the year before. Commissioner Walker points out that a material factor in the improvement was the compensation received from the Dominion Government for the temporary relinquishing of certain taxation fields in accordance with the Dominion-Provincial tax agreements.

HOG POPULATION UP

More hogs were reported on New Brunswick farms last year than in the previous year. As at Dec. 1, last, 89,500 were listed, this being an increase of 26,600 or 22.8%. Of the 89,500, 64,800 were under six months old at the beginning of December.

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What NEW BRUNSWICK means to POSTWAR CANADA

The Front Door of Canada opens wide to tomorrow's opportunities in a new world

THE tempo of New Brunswick's industry swings through 1943 with unabated pace. All energies are bent to war.

Factories, offices, fisheries, lumber mills, shipyards and farms hum to the tune of urgent necessity. No segment of home life or school lags in Victory Effort.

In every wartime activity New Brunswick's people are playing their full part. They are preparing also to take their place in the postwar pattern. The signs now show that this will be a ranking Province among Canada's busiest.

Consider these inescapable facts.

Vast quantities of New Brunswick farm and factory products are moving forward to battle fronts, and will continue to move forward to feed and equip the peoples of Europe after the war. Through its nearness to the European market, this Province is a natural source of supply for timber, dairy products, grains, bacon and manufactured articles. Development of electric power to meet wartime requirements now assures manufacturers ample electricity in the post-war years.

Today New Brunswick is just a few hours distant from Newfoundland and European capitals. It is an embarking point and terminal for traffic both ways. By plane it has moved to within one day of the Pacific coast.

New Brunswick is no longer a border Province for an internally active nation. It is a centre of activity in its own right—hundreds of miles nearer to a new Europe that will require every type of equipment, material and food for reconstruction and normal living.

When planning to service their postwar European markets, far-sighted manufacturers will do well to consider New Brunswick's nearness to those markets and its natural facilities for production and prompt, economical shipment.

Always famous as an international playground, New Brunswick assumes an additional role as an international producer.

JOHN B. McNAIR
Premier

The Province of NEW BRUNSWICK

Fish For Livestock—

Turning Fish Into Meat

Ground Cod Meal Ups Output of Poultry, Hogs, Cattle

Fish can be — is being — turned into meat.

Lack of protein feeds is a limiting factor in Canada's drive to produce more livestock for her domestic needs and for export to the United Nations.

Fish meal, which Maritime Provinces fish plants are turning out in large quantities, is about 70% protein and a highly important dietary item for cattle and hogs.

For many years cattle have been fed dried herring in Scotland and Norway. Elsewhere there was some prejudice against this for a long time, the idea lingering that an animal fed fish would necessarily develop a fishy flavor.

But Germany, in World War 1, imported huge quantities of fish as feed, used it successfully. There are two types of this — the oily type, derived from oily fish like herring, and white fish meal, a by-product of fish which belong to the cod family. Germany fed both types.

Britain, about the same time, took up the feeding of herring meal. Farmers who fed this oily substance were unaware that it had to be used in limited quantities and got into trouble: the meat they produced having a tainted flavor. That put fish meal into disrepute in the United Kingdom, and while British fish plants subsequently became big exporters of this product, British livestock men used little of it themselves.

New Feeding Methods

By the middle 'thirties, however, agricultural research in England had developed safe and sound methods of feeding even the most oily kind of fish meal.

Britain became a major consumer.

Canada, meanwhile, had built up a fish meal export business of some proportion, shipping largely to European countries.

Since, when a fish is filleted, about two thirds becomes waste, this by-product could mean the difference between profit and loss. Hardly any of it was used domestically.

But during the depression the requirements of Holland for fish meal fell off, Britain had a surplus, the Japanese were flooding Europe with oily meal.

An intensive campaign was undertaken to popularize fish meal in Canada and to teach farmers how to feed it. Result was that in two or three years the Canadian market was absorbing the total Canadian output.

Today the Government has taken steps to stabilize prices of fish meal, and is doing everything possible to encourage an increase in production—this in the knowledge that an increase in fish meal production will mean an increase in livestock and poultry products. It is made on the west coast, as well as in the Maritimes.

Cod Liver Oil

Another important by-product development of our Atlantic fishing industry is cod liver oil.

Before the war we imported about 250,000 gallons of cod liver oil a year, mainly from Norway. We produced little of it in Canada, and this sold at low prices.

When Norwegian supply sources were cut off, Canada's producers got busy, and today's cod liver oil output amounts to around 200,000 gallons annually. There are now six destearination plants in the Maritimes.

These turn out the finished product, ready for bottling.

The oil is extracted from the cod livers by a heat process. The livers contain not one fat, but a whole series, some of which stay solid at high temperatures, some of which remain liquid at low temperatures. The stearin (fats) are removed in the process, the result being a free-flowing liquid.

Rich in Vitamins

Cod liver oil produced in the Maritimes contains enough vitamin D to fill U. S. pharmaceutical requirements, which call for a high standard. In addition, it contains approximately three times the vitamin A specified by these requirements, rating about the highest in the world in this respect.

At present, Canada's cod liver oil supplies are carefully conserved for domestic needs, and export is permitted only under government license. In the postwar period, however, it is believed there will be a good opportunity of finding export markets, as well as of holding the domestic markets.

Thus the development necessitated by war may prove of permanent benefit to the cod fisheries of the Maritimes.

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Dear Brother Canadian:

Won't you come down to the Maritimes and visit us this summer in vacation time? You can have just as enjoyable a holiday as anywhere else, in fact, we believe a better time . . . less heat . . . less money spent . . . every outdor sport and a real hearty welcome from all of us here. Let's get acquainted.

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Industrial Pace Quickens

Connors Bros.

Operators of one of the largest sardine canneries in the world, Connors Bros. suffered loss of some of its extensive export markets due to war conditions but this loss has been to a large extent offset by development of new markets in the United States and by the securing of large military and naval orders. Switching of markets in this manner has allowed the company's earning power to be well sustained.

A problem faced by the company, which makes its own containers, has been restrictions in the use of tin. Another difficulty has been the rise in price of olive oil, scarcity of which has not been without effect on profits. The latter problem has been solved to some degree by substituting soya bean oil.

Financial statements for this company have not been made public within recent years and particulars on earning power are therefore not available.

Standard Clay

Standard Clay Products Ltd. makes a range of vitrified and fire clay products, including sewer pipe, culvert pipe, concrete pipe, flue linings, etc. It has two plants at New Glasgow, N.S. and three at St. Johns, Que., location of the company's head office.

Improvement in volume of business for the year ended Dec. 31, 1942, was indicated by 14.7% increase over 1941, but net profit of $24,636 showed some decrease compared with $29,595 for the previous year. Share earnings were $3.28 for the year, compared with $3.94 of the year before.

Current operations are expected to be on a reduced scale because of completion of airfields, training centres, industrial war plants, housing projects and restrictions on private building and municipal sewerage works. Capacity of Standard Clay's five plants is 30,000 tons annually.

Malagash Salt

Production of Malagash Salt Co., which operates Canada's only rock salt mine in Cumberland Co., N.S., has been steadily maintained. Latest production figures available are for 1941 and show an output of 52,522 tons that year, compared with 44,192 tons the year before.

Due to delays in obtaining materials, a projected steam plant did not begin operation until the middle of April, 1942. Steam is supplied by two 250 h.p. boilers equipped with automatic stokers to two steam turbine direct driven generators of 375 and 625 kv.a. capacity. A steam compressor has also been installed to supply air for the jack hammer drills used underground.

A new three-compartment inclined shaft to intersect the No. 26 level was started some time ago. Delays in power and labor supply hampered progress, but the top of bedrock, which is also the top of the salt strata, was reached at a distance of 135 ft. and the No. 3 level in the old workings was intersected.

United Fruit Companies

United Fruit Cos. of Nova Scotia, with headquarters in Kentville, is Canada's largest apple co-operative marketing organization. Peacetime markets have been severely disrupted since the outbreak of war, and the company has had a number of problems to meet.

Some years ago United Fruit undertook to process apples, which proved a successful venture. The Nova Scotia Apple Marketing Board Ltd., working closely with the Dominion Government, now handles all the apple crop of the Annapolis Valley.

Tins are not available for packing apple juice, nor may glass jars be used, so that the company has concentrated on the second method of apple processing, dehydration.

S.M.T. (Eastern)

S.M.T. (Eastern) is controlled by interests associated with Irving Oil Co., and operates an extensive passenger and freight motor carrier system in New Brunswick. The company holds franchises covering between 1,300 and 1,500 miles of highways.

Operations of S.M.T. (Eastern) have been influenced by travel restrictions due to curtailment in the use of oil, gasoline and rubber but at last report the volume of traffic handled by the company compared favorably with previous operating experience.

Maritime Fish

Maritime National Fish Ltd., Halifax, is one of the foremost Atlantic coast firms in the fresh, smoked, frozen, canned and dried sea fish business. In spite of wartime difficulties, most serious of which today is shortage of labor, operations in the wartime years have shown reasonably satisfactory results.

Shortage of meat supplies has brought a sharp rise in the domestic fish trade and sales are limited only by the extent of the catch.

Demand for fish is far greater than supply and the company has found it difficult from time to time to meet the needs even of army and navy establishments located on the coast.

Latest financial statement of the company notes that operating profit for year ended June, 1942 was $189,623 and represented a gain of $10,308 over the same figure for 1941.

Robin, Jones & Whitman

Robin, Jones & Whitman Ltd. is engaged in the general trading and fish business in New Brunswick, Nova Scotia and Quebec. Its head office is in Halifax, from which are operated 26 branches, 16 in Quebec, eight in Nova Scotia and two in New Brunswick. Export of dried fish and the distribution of boneless cod throughout Canada constitutes its principal operations.

This company is one of the oldest business organizations in Canada, having been established in 1776. For the past three years it has experienced successive improvements in operations although the betterment has not been as marked as in some other fields of endeavor, the company's prosperity depending to a large degree on the fortunes of the fishing communities on the Atlantic coast.

Moirs Ltd.

Wartime difficulties have been encountered by Moirs Ltd., but this is not preventing the company from enjoying one of the most prosperous periods in its history.

Labor and supply problems are uppermost just now but simplification of production methods—and stretching of raw materials—has resulted in the company's present fine showing.

Under present regulations, the company is limited to the use of 70% of its 1941 sugar requirements. This has unquestionably been a handicap limiting sales volume but a reduction of two thirds in number of lines carried in stock has meant economies in packaging and handling. The company's bread, cake and biscuit division, has been endeavoring to supply as large a share of the huge Halifax area demand as possible.

To cope with the decreased sugar supply, certain lines of chocolate have been eliminated altogether because of their very high sugar content. This has been of great assistance in maintaining volume of output in the face of supply shortage. A zoning system is used to ensure adequate coverage of all markets.

Current high level of activity is reflected in the company's earning statement for 1942. Profit realized was almost twice that of the previous year—apparently the best in the company's history even after deducting refundable portion of the company's excess profits tax. All bank notes have been retired and retirement of the company's bond issue has been commenced.

P.E.I. CROP VALUES

A marked rise in the cash value of farm products in Prince Edward Island is noted in a federal report covering the Canadian scene. Last year's estimated value of the Island's farm products is $12.1 millions; that of 1941, $8.2 millions and of 1940, $7.1 millions. The potato crop brought $3 millions; livestock, including poultry, $5.2 millions and dairy products $1.7 millions. Fur farms recorded sales of $497,000.

N. B.'s Frozen Blueberries Wind Up As Luscious Pies

Fast-frozen fruits are nothing new in New Brunswick, where blueberries have been handled with this process for years. The blueberries, destined to wind up in pies in the New England states and central Canada, grow wild. Picking them provides spare time employment, and a source of ready cash, for hundreds of farm families, particularly in areas where settlers are still getting established.

Last year's blueberry crop, to the sorrow of pie enthusiasts, was one of the smallest on record. Even at that it yielded two million pounds of berries, of which 800,000 pounds were frozen for the baking trade. In the previous year, the crop amounted to 4 million pounds, and 2 million pounds were frozen. The average crop runs around the four-million-pound mark.

A quaint little community in New Brunswick is Blueberry Hill, Kings County, a huge blueberry plain on a table-topped hill, where whites and Indians camp in the berrying season in tarpaper shanties, dance by night on an open-air platform to the tunes of an old time fiddler. Those who arrived broke during the depression years, as many of them did, could borrow an axe from the canteen to cut saplings for the frame of a shanty, get a roll of tarpaper on credit, pay for it with berries.

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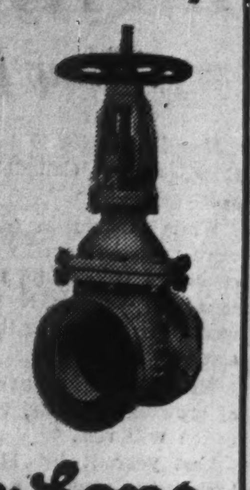

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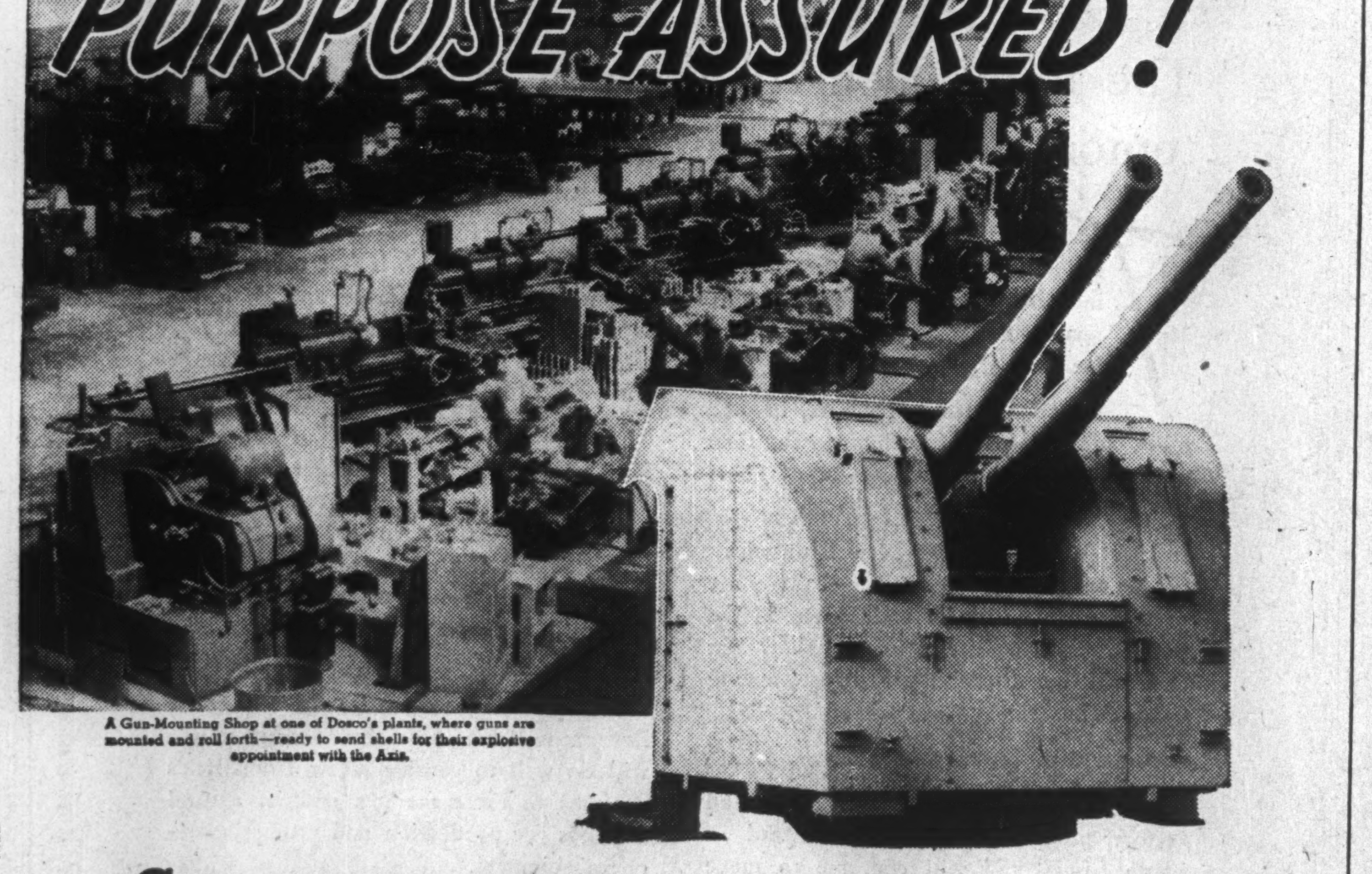

A Gun-Mounting Shop at one of Dosco's plants, where guns are mounted and roll forth—ready to send shells for their explosive appointment with the Axis.

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Planning for Postwar

Maritime Resorts Look Ahead

Expect Tourist Industry to Boom When Peace Returns

Not long ago 200 operators of hotels in Nova Scotia gathered in Halifax. For two days, from early morning until late at night, they listened to lectures and held round table discussions on how hotels should be run.

Their object: To find out how to improve their service to the travelling public in general and to holiday visitors in particular. It was Nova Scotia's fifth annual hotel short course, and was held in spite of the fact that the war has greatly restricted the tourist business.

Although the first course was held before the war, the fifth course could probably be termed a bit of postwar planning. The seaside provinces of Nova Scotia, New Brunswick and Prince Edward Island are looking forward to the day, after peace has been won, when their wealth of recreational facilities and their unsurpassed scenery and climate will bring them a far larger volume of tourist traffic than ever before.

In New Brunswick and Prince Edward Island, as in Nova Scotia, government agencies are continuing efforts to raise the standards of hotels, tourist homes, highway camps. They expect that this will pay big dividends in future.

Highway Program

Through the 1930's the Maritimes embarked on the greatest program of highway improvement in their history, completing a network of broad and modern paved roads. This entailed very large expenditures.

It was realized, however, that by far the greatest number of tourists travelled by automobile, and that dusty gravel roads constituted the major barrier to the swift growth of tourism.

Development of holiday resorts coincides with the highway program, while at the same time the three provinces undertook extensive campaigns to advertise their attractions elsewhere in Canada and in the United States.

In the years immediately prior to war's outbreak the wisdom of this policy was amply justified. Visitors, especially from the United States, flocked to the Maritimes in record numbers and left millions of dollars a year in those provinces.

The money they spend proved an economic tonic to many sections which were in need of such a dose, and the tourist business became a major industry. Maritimers were—and are—convinced that there is hardly any limit to the extent to which this industry can grow if it is properly managed.

They point out that they have just about everything to offer the vacationist.

Some of their assets:

Climate. Summers are bright and warm but the weather is seldom oppressively hot. Nights are always cool. Proximity to the sea gives the air an invigorating tang. Many sections are free from hay fever, and draw sufferers from this ailment.

Scenery. Prince Edward Island possesses all the varied attractions of an island surrounded by salt water, together with a rich pastoral beauty.

New Brunswick and Nova Scotia are rugged provinces, all hills and valleys, and much of them is covered by timber. Everywhere along the coast there are picturesque fishing villages. Valleys of the interior are fertile farmland, well cultivated, and through many of them run trout streams and salmon rivers. There are hundreds of lakes.

Annapolis Valley, in Nova Scotia, is famous for its apple orchards. The St. John River, in New Brunswick, is one of the most beautiful. Grand Falls, on its upper reaches, are exceeded in magnitude on the eastern half of the continent only by Niagara and the Grand Falls of Labrador.

History. No part of this country has a more colorful history. Settlement of the Maritimes dates back to the Acadians, who left their legends and remnants of their forts. Port Royal, Beausejour, Grand Pré—these are names to conjure with. It was at Saint John that Madame LaTour defended her husband's fort against crafty D'Aulnay.

After the expulsion of the Acadians, New Englanders moved in—tough, hard-muscled pioneers. Then, after the Revolutionary War, came the Loyalists in thousands, and after them settlers from England, Scotland, Ireland. Of recent years many historical shrines have been restored and visitors find them of never failing interest.

Natural phenomena. New Brunswick has the Reversing Falls, at the mouth of the St. John River, which race upstream at high tide and downstream at low tide. On the Petitcodiac River, at Moncton, there is the tidal bore, a spectacular wall of water which rushes upstream when the tide is rising. Also near Moncton there is the Magnetic Hill, an optical illusion which makes your car seem to be coasting uphill when actually it is going downhill. These curiosities hold great appeal for tourists.

War has turned the tourist industry into a temporary cripple, but the Maritimes are looking ahead to the days when peace shall come again. The Atlantic provinces plan, in the postwar, to develop tourism on a far larger scale than in the past, and are even now making quiet preparations. Maritimers believe their assets of climate, scenery, history, hunting, fishing, yachting and so forth add up to the basis for a huge vacation industry.

Sports. The three provinces offer unexcelled fishing. Nova Scotia has taken the lead in developing tuna angling, using tournaments and other means to popularize this sport. It draws many deep sea angling enthusiasts from the United States. New Brunswick likewise has tuna fishing. Prince Edward Island has some excellent trout water. New Brunswick and Nova Scotia have many fine trout and salmon streams.

The Restigouche River, in New Brunswick, is regarded as one of the finest salmon rivers in the world, and wealthy Americans have a huge investment along the Restigouche in riparian rights and sporting camps. They maintain a private police force to protect the river from poachers.

The Maritimes are rich in game, offer the hunter deer, moose, bear, partridge, woodcock, snipe, ducks, geese.

Yachting is very popular and there are splendid facilities for it. There are many fine golf courses. And, of course, fresh and salt water bathing.

Winter sports have not yet been developed in a commercial way, but this is on the boards for the postwar. Just overnight from Boston by steamship, New Brunswick believes there are great potentialities in this direction.

Because of the war, the Maritimes have curtailed their advertising and publicity in areas from which they would ordinarily draw tourists, but they are still trying to carry on just enough of this that their attractions will not be forgotten before peace comes again.

It is a point of some gratification in Nova Scotia that five books about that province made their appearance in 1942—"His Majesty's Yankees," by Thomas H. Raddall; "Bluenose," by Dorothy Duncan; "Cape Breton Over," by Clara Dennis; "The Sea is so Wide," by Evelyn Eaton, and "One Braver Thing," by Cyril Harris.

Government agencies in the Maritimes recognize that these provinces, because of their position by the sea, have an unusual variety of food delicacies to offer visitors—lobsters, shellfish of all kinds, salmon, other kinds of fish.

Much progress has been made in instructing persons who cater to the tourist trade in how to prepare such dishes in the most attractive manner.

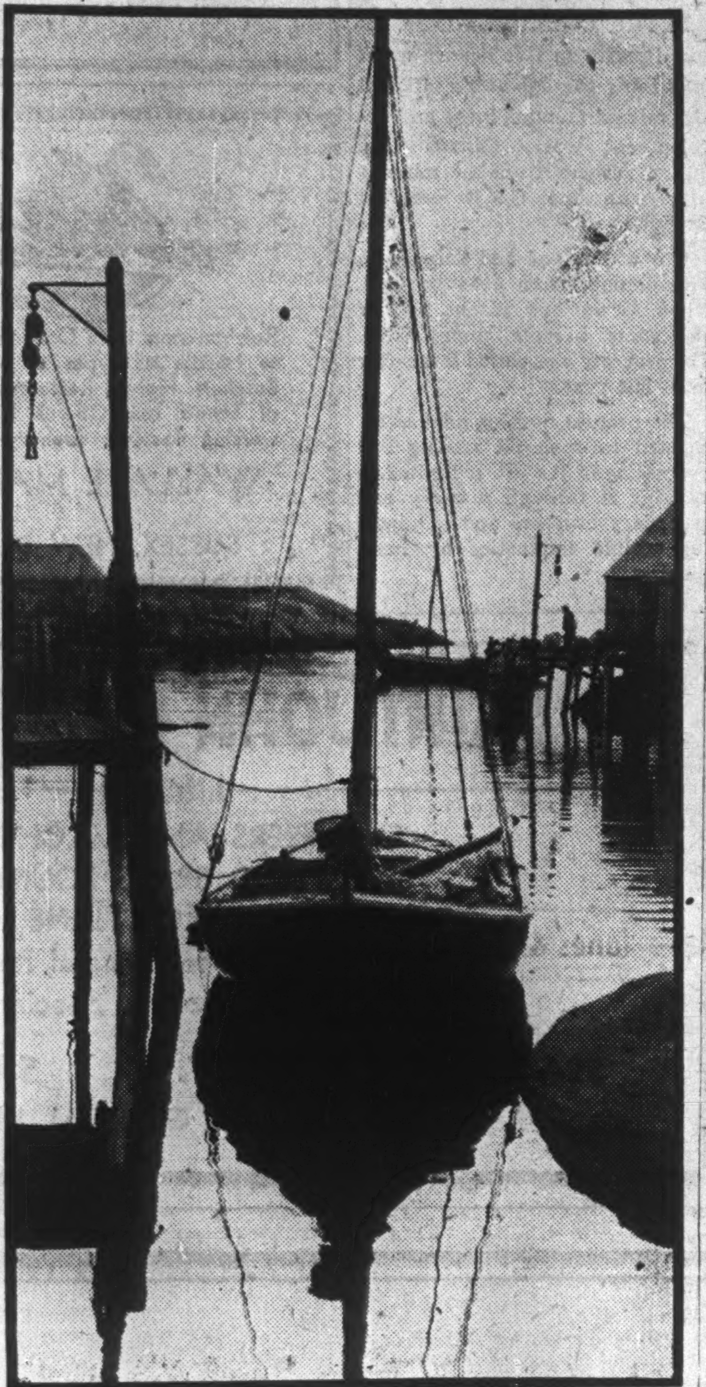
"We want visitors," said one official, "to go home praising the meals they get here. We figure that is one of the best kinds of advertising."

100,000-BARREL CROP

A 100,000-barrel crop of apples for 1943 was forecast for New Brunswick by provincial horticulturist A. G. Turney recently. Mr. Turney reported that the 1942 New Brunswick apple crop, as recorded by 230 growers, had amounted to some 82,000 barrels. Due to the increased bearing surface of the younger trees now coming along there were good prospects of a 100,000 barrel crop for 1943, he stated.

POSTWAR FISHING

Maritime fishermen will produce more fish than ever before after the war, Col. A. L. Barry, Superintendent of Maritime Fisheries, told a service club in Halifax recently. He said an extensive program of study, education and co-operation is now getting under way, and will "jack up" the production of fishermen in the three provinces when peace returns.



C. P. R. photo.

Quaint fishing villages dot the coasts of the Maritime Provinces. Here is one of them — Peggy's Cove — a favorite subject of artists and photographers.

N. B. Oil Shale May Prove Major Economic Asset

Possibility of development of New Brunswick's huge deposits of oil shale seems closer now than at any time in the past. Dominion and provincial governments have co-operated in a program of diamond drilling, to ascertain whether the project is feasible. The cores this work produced are under study.

The shale, rich in oil, underlies a large area. A few years ago tentative development plans were made but ran into snags. At that time there was no shortage of oil; prices were low. Some experts said the idea of extracting oil from shale and attempting to compete with the product of wells would never be practical. Since then two things have happened:

1—A serious oil shortage.

2—An improvement in oil extraction processes.

Today, in Scotland, oil is being produced from shale. There is also an operation of this sort in Australia. If it can be done successfully in Scotland and Australia, New Brunswickers argue, it can be done successfully in their province. They look hopefully for the day when their shale will be an important economic factor.

Meanwhile New Brunswick ranks third among Canadian provinces as a producer of oil and gas. Production of crude oil rose last year to 1,145,282 gallons compared with 999,781 gallons in 1941. From 1909 to 1942 New Brunswick produced 10.7 million gallons of crude.

In 1942 New Brunswick Gas & Oilfields Ltd. deepened or shot 15 wells and drilled three new wells in Albert county.

Dairy Output Breaks Record

Despite the shortage of labor, New Brunswick last year produced more cheese, more butter and more ice cream than ever before. Total revenue from manufactured dairy products amounted to $2,681,412, an increase of $534,142 over the previous year.

Output of creamery butter was up 6.9%, cheese output was up 196.4%, and output of ice cream was 22.2% higher. During the year there were 25 creameries and 15 cheese factories in operation.

The cheese factories marketed their product cooperatively, through the New Brunswick Cheese Board, at an average selling price of 22.4 cents a pound.

Maritime Tel. & Tel. Breaks New Ground

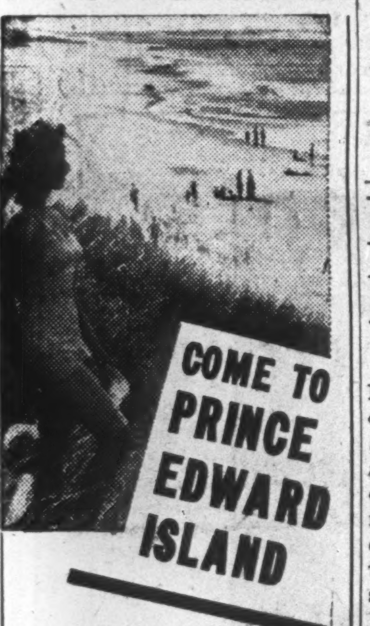
With 57,184 stations in operation at the end of April, 1943, Maritime Telegraph & Telephone Co. set up a new all-time record. During the month there was a net gain of 289 stations.

Long distance telephone calls handled on the system in April aggregated 203,992. This contrasts with 174,237 calls for the like month last year, an increase of 17%.

NEW BRUNSWICK HOGS

More hogs were reported on New Brunswick farms last year than in the previous year. As at Dec. 1, last, 89,500 were listed, this being an increase of 26,600 or 22.8%. Of the 89,500, 64,800 were under six months old at the beginning of December.

THIS SUMMER



You must keep fit to do a better Wartime job. Rest and relax from toil and tension in lovely Prince Edward Island this summer. Different in atmosphere and providing every recreation—golf . . . deep-sea-fishing . . . tennis . . . warm salt-water bathing on magnificent beaches backed by sand dunes—this Birthplace of Canada is also rich in historic lore and natural beauty. Pleasant days . . . and nights cool enough for sleep . . . add to the "keeping fit" qualities of a P. E. I. vacation.

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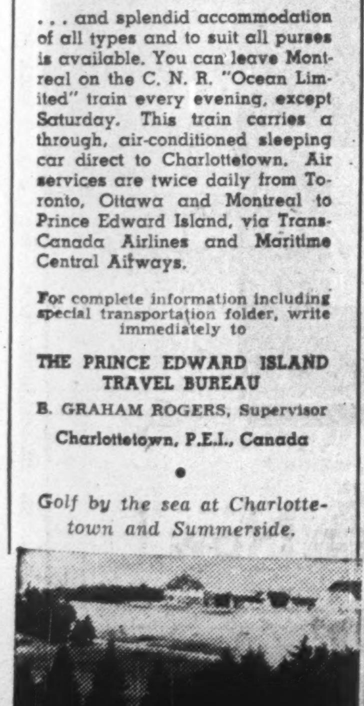

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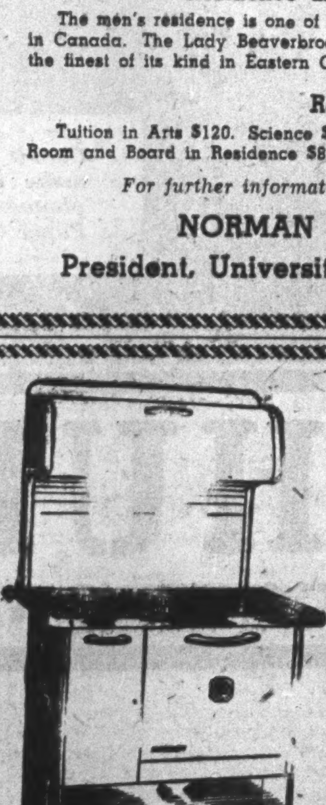

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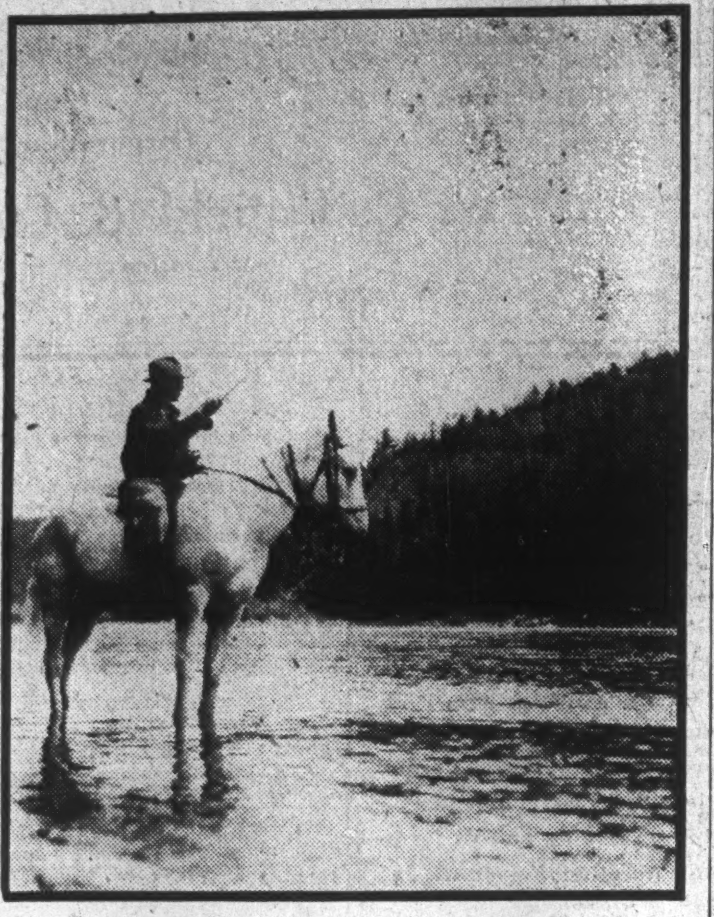
The Fisheries Come Back

Fishing Comes Into Front Line

Maritimers Brave Lurking Subs to Ease Food Shortage



Salmon rivers which offer the world's finest angling wind through the valleys of New Brunswick and Nova Scotia. This sportsman fishes in comfort, lets his horse do the wading. It's common, Maritimers, say.

Not long ago a trawler nosed into Halifax harbor with 380,000 pounds of ground fish — the equivalent, in edible food, of around 1,700 hog.s

It represented the catch of 30 men in a week. The catch was the food equivalent of 56 hogs per man.

Statistics like these are trotted out by the fishing industry of the Maritime Provinces to prove that the fisherman is the most efficient of all food producers—that, with signs of a food shortage in the offing, there should be more concentration on the fishing banks.

"You don't have to raise them," one of the leaders of the industry told The Financial Post. "You don't have to feed them. They are out there waiting to be caught. And there has never been any evidence that the codfish on our banks are showing any sign of depletion. The supply is limitless."

Problem is Supply

Prior to the war the problem was not catching fish but selling them.

A large part of the cod had formerly been dried and salted in the centuries old manner, and shipped to Europe. Italy was the biggest market. At the time of the Ethiopian war, Italy retaliated against economic sanctions by excluding Canadian cod. Second largest market was Spain. That went with the Spanish civil war.

While all this was happening, the number of fishermen was growing.

Before the depression, quite a proportion of fishermen's sons, when they reached manhood, had left their native villages to seek work in the cities. With the depression, they remained at home. Others, who had lost their employment elsewhere, trekked back to join them.

The price of fish fell; the earnings of fishermen dropped to a pitifully low level in most districts; times were black.

The fishing industry of the Maritimes, depressed during the 1930's, has made a notable comeback and is a major factor on the food production front. Man for man, fishermen produce far more food than farmers, statistics show. In one week, a fisherman may catch the food equivalent of 56 hogs. Today the industry's problem is of supply rather than of market. But after the war, after shortages disappear, markets will be vital. How to assure them is now being studied.

The struggle to find markets to substitute for those which had been lost led to the establishment of more quick freezing plants, to the filleting and neat packaging of a larger part of the total catch, to improved merchandising methods.

Today the housewife in a central Canadian city can buy fast frozen fish steaks and fillets in attractive packages. These steaks and fillets taste as though the fish had just come out of the water.

In the normal course of things this development would have resulted in the slow growth of a far greater demand for fish in Canada, where people in the past have not eaten as much fish per capita as people of most countries.

With the wartime shortage of meat, the growth in demand was accelerated at a tremendous rate. In addition, Britain needed fish, placed huge orders in Canada.

Result is that today the problem is not one of demand but of supply. Supply is seriously complicated by the labor shortage, as well as by shortages of equipment.

Despite measures taken by federal authorities, production of fish is down. One reason is that so many fishermen have joined the armed forces — particularly the navy. It is a point of justifiable pride in the Maritimes that the rate of enlistment in those provinces has been the highest in Canada. But this very factor is one which has cut down the fish catch.

Tough Business

Fishing is a tough business, a young man's business. Usually, when a fisherman reaches the age of 50, he stays ashore and takes work in the fish plants. Thus, when war broke out, most of the active fishermen were of military age—and inclination.

"Selective service has been pretty good in respect to fishermen," an official of one of the big fish companies said, "but a lot of them wouldn't wait for exemption."

Apart from the men who go to the banks in trawlers and schooners—and whose wages are now quite high—there has been the difficulty of getting shore labor for fishing plants, where wages, frozen by federal regulations, are still not far above depression level.

There are large military construction projects going on in several parts of the Maritimes. Complaint of the fishing industry is that contractors on these jobs are able to offer much higher wages than the fishing plants are allowed or could afford to pay.

Due to this, fish plants lose shore laborers about as quickly as they can bring them in from outlying areas where wages are low. "They just stay around long enough to find out what the contractors are paying," one executive shrugged.

Another reported that his company had had a 90% turnover in shore labor in one month.

Fishing companies, to help overcome the labor shortage are installing as much mechanical equipment as possible, but this is not easy to get.

Delay Trawlers

If lack of hands for the fishing boats is a limiting factor in production, lack of shore workers is an even greater handicap. Here is one example of what it means: A trawler that used to be unloaded in one day now takes three days to unload. This causes it to lose ten days actual fishing out of every month.

If the last year had not been a phenomenally good fishing year, the catch would have dropped much more than it did. For the early part of the present season, catches have again been exceptionally good.

But now meat rationing has been introduced, placing still greater demands on fish supplies. And Great Britain has approached Canada asking for larger quantities of fish.

Fishing industry leaders admit frankly they don't know how requirements can be met and anticipate a shortage. One point which worries them is that in the past they have had a valuable market in the United States. This they hope to keep for the postwar. But the government has already limited exports across the border, and may have to limit them to an even greater degree.

If this happens, there is some anxiety about whether it will be possible to recapture a share of the U. S. market.

Trawler Opposition Dies

Of future significance to the fishing industry of the Maritimes may be the fact that opposition to the beam trawler is dying down—at least temporarily.

For many years these trawlers which scoop up fish by dragging a huge net along the bottom of the sea, had been bitterly fought by fishermen, who saw in them a threat to their livelihood.

Proponents of the trawler argued to no avail that it had to come; that it was the only thing which would assure a constant supply of fresh fish for the market; that, at least indirectly, it would benefit everybody.

The average fisherman would not be convinced; collectively, fishermen raised such an outcry that trawlers were placed under license by Ottawa and their number restricted to three or four.

The trawler fisherman is just about twice as efficient as the fisherman on the schooner. He can fish in weather in which handlining from schooner dories would be impossible. If the supply of bait fails, he can still fish, since he does not depend on bait. He can keep cod and other ground fish flowing steadily toward the markets, and assure that it gets there in good condition.

Ironic part of the Canadian fisherman's opposition to trawlers was that craft of this type from the United States, from Norway, from half a dozen different countries, were fishing on the same banks fished by Canadians—banks outside territorial waters.

Thus the position of the Canadian fisherman paralleled that of the farmer with the hand scythe trying to cut grain as efficiently as the farmer with a big modern combine. Practically everybody but the fisherman, and the politician who depended on the votes of fishing communities, admitted it was stupid.

Draggers Introduced

Now a new type of craft is being introduced, known as the "dragger." By any other name it would be a trawler, although it is somewhat smaller and made of wood. The name "dragger" apparently gets around political objections to the name "trawler." At the same time there is a more valid reason the dragger has not been met by violent protests. This is that it is small enough, and can be constructed cheaply enough, that a group of fishermen could club together and buy one for themselves.

The Dominion Government has a plan whereby construction of draggers is being subsidized and while it is difficult to get engines and other gear, some quarters hope several may be in operation in the near future. This would materially increase the total fish catch.

Another step taken to up production on Maritime fishing banks is the introduction of long-lining, a practice followed by European fishermen and by halibut fishermen of British Columbia.

Bathurst Iron Being Mined

War Revives Activity at New Brunswick Ore Field

Iron ore deposits near Bathurst, N.B., mined years ago then abandoned, each day are producing 1,000 tons of magnetite-hematite ore for the Sydney, N.S., plant of Dominion Steel & Coal Corp.

In 1910, Canada Iron Corp. secured leases to five square miles containing the deposits and spent $1.1 million on equipment and development work. Canada Iron built a railway from the mine to link with the C.N.R. line at Bathurst.

Ore was mined and shipped to Philadelphia from 1910 to 1915, when, for various reasons, further shipments became unprofitable. The property was closed thereafter until last year.

The present development is restricted to open pit mining and processing of the ore is limited to running it through primary and secondary crushers and eliminating visible impurities by hand picking.

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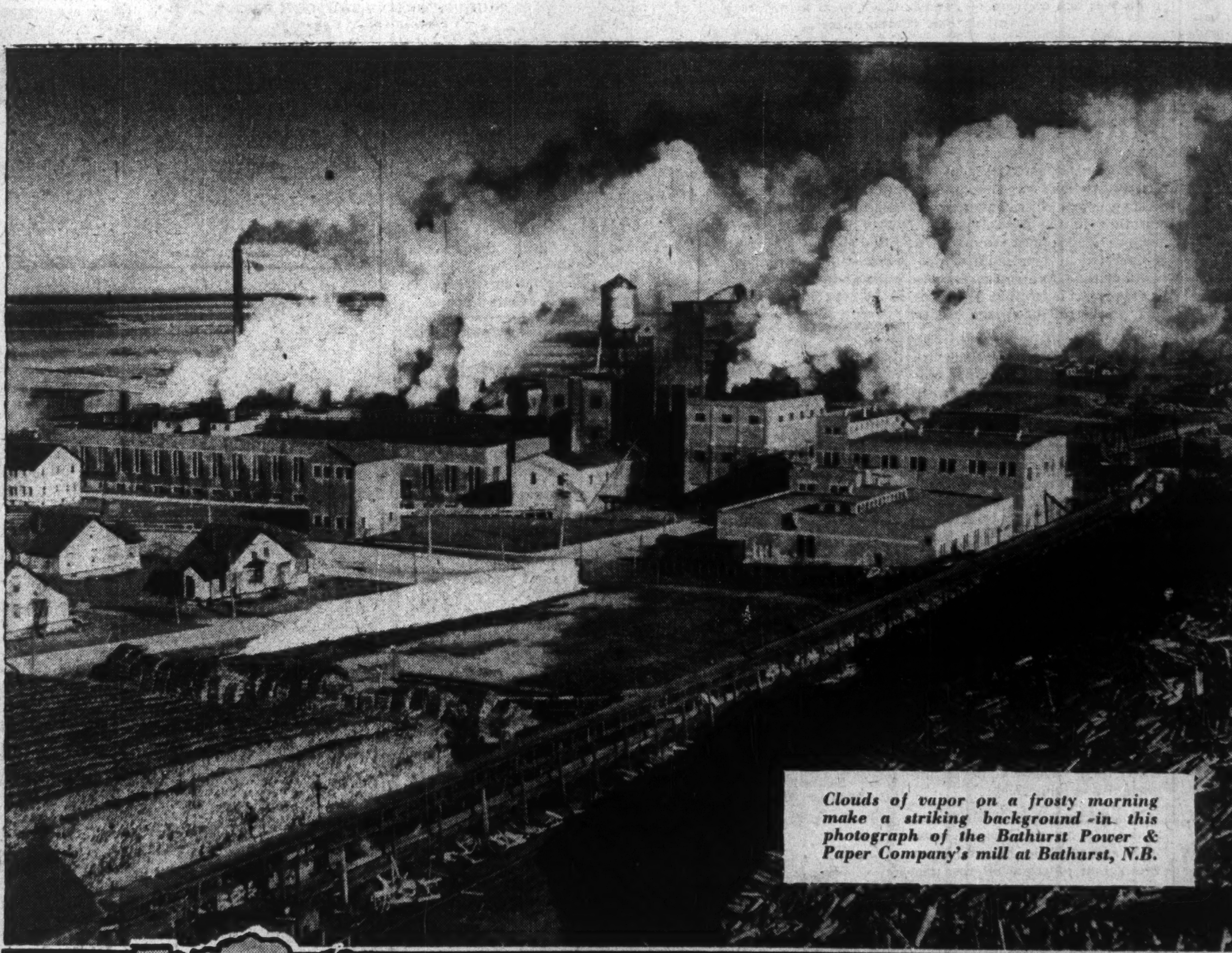

Clouds of vapor on a frosty morning make a striking background in this photograph of the Bathurst Power & Paper Company's mill at Bathurst, N.B.

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Newsprint Supplies

U. S. Newsprint Rationing Looms Ahead

Failure to Cut Use to Supply May Make Step Necessary

By JOHN E. LANGDON

MONTREAL.—Rationing of newsprint paper is in prospect for American publishers, unless immediate steps are taken to curtail consumption and effect a saving of 10% under the 1941 base year, according to sources in the industry.

Current rate of production and shipments from the mills in Canada and the United States is predicated upon the assumption publishers will make the necessary saving. So far they have failed. Consumption has been reduced by only 5% from the base period.

Canadian mills jointly have undertaken to deliver 210,000 tons of newsprint paper a month to the United States this year. Currently they are receiving orders for 230,000 to 240,000 tons a month.

Must Cut Demand

The present rate of demand cannot continue indefinitely. When the Canadian mills agreed to the figure of 210,000 tons a months, they did so having in mind power, wood and labor factors and also the fact they have promised to deliver large quantities of pulp to the States.

With conditions as they are the mills are confident of their ability to ship an average of 210,000 tons a month to the end of the third quarter. After that much will depend upon the wood supply. If it does not come up to expectations, then the schedule can be maintained only by dipping into wood inventory.

Job for WPB

With American publishers now asking for 30,000 tons a month more than the mills have agreed to supply, Canadian operators are unwilling to take the job of allocating the available supply so that all American users will share alike, The Financial Post is told.

All they have agreed to do is to provide 210,000 tons a month. Those closely in touch with the situation say that if the publishers cannot get consumption down to a level to permit an equitable distribution, then the War Production Board will have to take more drastic action—possibly rationing—to see that all consumers are treated alike.

It is understood that this is a matter which is now engaging the attention of WPB officials.

What has happened to the U. S. newsprint supply and consumption situation since the beginning of the year is set out below:

Apparent U. S. Newsprint Paper Use
(In tons)

	Total newsprint used	Supplied by all sources	Drawn from reserves
Jan.	305,170	268,785	36,385
Feb.	280,139	268,348	11,791
Mar.	319,127	295,889	23,238
Apr.	327,431	288,172	39,259
	1,231,867	1,121,194	110,673

At the beginning of this year the American publishers had 645,492 tons of newsprint on hand. At the end of last April they had 534,819 tons, indicating a drawdown of 110,673 tons.

Prospect of Publishers

Just what is facing the U. S. publishers can best be illustrated by quoting a few figures.

Apparent consumption of newsprint paper in the United States during the base year of 1941 was 3.9 million tons.

War Production Board requested publishers to voluntarily reduce consumption by 10% from this level, so as to set a potential usage in 1943 of about 3.6 million tons, allowing 3% for spoilage.

Basis of Planning

The indicated consumption for 1943 in the United States this year is an average of 300,000 tons a month. It is this figure which the WPB and the Wartime Prices and Trade Board used in planning production in the United States and Canada.

To meet prospective demand, Canada agreed to supply 210,000 tons, American mills 70,000 tons and Newfoundland 15,000 tons.

This makes 295,000 tons in all, or 5,000 tons less than prospective consumption. This is the figure which W. G. Chandler and Donald Nelson recently quoted as being the probable shortage as between supply and demand for 1943. Neither regarded it as serious in view of the stocks of newsprint already on hand with the publishers.

What has happened falls short of the WPB'S expectations, due to the liberality of the WPB in granting exemptions and to the failure of some publishers to effect the required saving, The Post is told.

For the first four months of 1943 average monthly consumption of newsprint paper in the United States totalled 307,988 tons, a figure well above the budgeted monthly average for the year.

It appears from the figures that the publishers, through ordering substantially more than the limit set for shipments from Canada to the States, are attempting to rebuild reserve stocks.

Using Too Much

For example: In April last the over-usage of newsprint paper in the States was about 20,750 tons.

Receipts of paper were roughly 18,000 tons under the amount which could have been used and still comply with the request of the WPB.

In order to make up the shortage of receipts and over-usage, publishers drew on reserves to the extent of 39,259 tons.

Restoring Inventory

Based on average returns for the first five months of this year, orders from American publishers should be somewhere between 220,000 and 230,000 tons if Canada were the only source of supply. Instead orders are running 30,000 tons over the agreed amount of 210,000 tons.

Presumably a similar order situation exists with the United States and Newfoundland mills, adding strength to the belief that some publishers are attempting to restore their reserve stocks.

Any success which a publisher might have along those lines must result in a sharper curtailment of available supplies later in the year.

Limit Shipping Quota

In order to balance orders with the amount of paper which Canada has agreed to supply, manufacturers in this country have been instructed to apply a 12% reduction against the June shipping quota.

This move does not solve the basic problem of bringing American consumption in line with planned production. It makes for a maldistribution of supply, as publishers who over-ordered will still be able to get sufficient paper for actual needs, whereas others may have to go short.

Unless American publishers cut consumption and, in turn, restrict orders, it would appear that adoption of some form of rationing by the War Production Board is the only method of securing an equitable distribution of the paper supplied by the Canadian manufacturers.

The only bright feature of the situation at this time is the fact that Canadian publishers have lived up to the responsibility and effected the necessary saving. They, at least, are assured of no change in the present arrangement.

Newsprint Box Score

PRODUCTION

	May 1943	May 1942	January-May 1943	January-May 1942	Dec.
Canada	254,046	251,831	1,185,825	1,415,412	229,587
United States ...	68,707	80,040	342,215	404,494	62,279
Newfoundland ..	16,379	24,995	72,547	134,913	62,366
Total	339,132	456,866	1,600,587	1,954,819	354,232

SHIPMENTS FROM CANADA

	May 1943	May 1942	January-May 1943	January-May 1942	Dec.
Canada	16,247	17,201	79,277	85,898	6,621
United States ...	217,660	230,496	1,019,805	1,191,350	181,545
Overseas	23,849	18,746	88,354	92,326	3,972
Total	257,756	266,443	1,187,436	1,369,574	192,138

PRODUCTION AND SHIPMENT RATIOS
(Percentage of Capacity)

Production May 1943	Production May 1942	Shipments May 1943	Shipments May 1942
68.6	68.0	69.6	72.0

SHIPMENTS FROM NEWFOUNDLAND

	May 1943	May 1942	January-May 1943	January-May 1942	Dec.
Newfoundland ...	80	67	393	327	66*
Overseas	4,326	3,387	13,645	23,900	10,255
United States ...	9,154	13,771	62,179	81,738	19,559
Total	13,560	17,225	76,217	105,965	29,748

*Increase.

STOCKS OF NEWSPRINT ON HAND

Mills:	May 1943	May 1942	Dec.
Canada	91,374	169,409	78,035
United States	12,648	16,076	3,428
Newfoundland	63,169	98,548	35,379
Total	167,191	284,033	116,842

Plan to Study B. C. Resources

New Research Board Set Up to Solve Industrial Problems

From Our Own Correspondent

VANCOUVER.—Dr. J. N. Finlayson, dean of the faculty of applied science at the University of British Columbia, has been appointed head of a special research board which will work with the B. C. War Metals Research Board.

The plan is to have a permanent institution to deal with problems of industry as they arise, the primary purpose being to develop new uses for B. C. resources.

At first most of the work will be concentrated on mining.

Later, the new board will probably turn its attention to forest products. Methods for the manufacture of plastics and cellulose products will be studied.

Some of the other projects mentioned for research are soya beans, production of light alloys from British Columbia ores, manufacture of drugs from herbs, plants and trees indigenous to B. C., utilization of low-cost power in the manufacture of chemicals, and production of light metals such as aluminum and magnesium from native ores.

Assoc. Aircraft Repays Capital

With Contracts Complete, Joint Venture Now Being Wound Up

From Our Own Correspondent

MONTREAL.—Contracts with the British Government having been completed, Canadian Associated Aircraft Ltd. is now in process of being wound up.

The company is no longer operating and recently the six common stock shareholders, Canadian Car & Foundry, Fairchild Aircraft, Fleet Aircraft, National Steel Car, Ottawa Car and Canadian Vickers, had returned to them their original investment of $166,600 each.

In addition to the common, there was outstanding $250,000 of preferred stock, all held privately. This issue also has been paid off.

Organized late in 1938, Canadian Associated set up two assembly plants, one at St. Hubert, near Montreal, and the other at Malton, a short distance from Toronto.

The first contract was for the construction of 80 Hampden bombers. Other contracts were received later. Manufacture of the parts was subcontracted to shareholder-firms and assembling was done by Canadian Associated at either Malton or St. Hubert.

Newsprint Stabilization Fund Private Affair

Payments into and out of the newsprint compensation trust fund will not be made public as it is not in the public interest, according to a return tabled in the House of Commons by State Secretary Norman McLarty.

The return said "the amounts of money remitted to the fund by the newsprint companies are not monies owing to the government but are merely held in trust by the Commodity Prices Stabilization Corp. for the purpose of compensating newsprint companies for the benefits and burdens arising out of the newsprint allocation plan made necessary by reason of shortages of manpower, power and essentials."

New England Power Current Income Up

New England Power Assoc., subsidiary of International Hydro Electric System, which also controls Gatineau Power Co., reports consolidated gross income in the first quarter of 1943 of $18.6 millions. This contrasts with $17.7 millions for the same period last year. Most of the gain was absorbed in higher operating costs and after provision for all senior charges consolidated balance after preferred dividends amounted to $401,556, as against $334,177 last year.

Cotton Mills Cut Operations 10%

From Our Own Correspondent

MONTREAL. — Operations in primary cotton mills during May were on approximately the same level as in April, but less than for any May since 1939. In all 38,116 bales of cotton were opened compared with 42,237 last year and 41,004 in May, 1941.

For the first five months this year 195,796 bales were opened in Canadian mills as against 218,639 bales for the same period last year.

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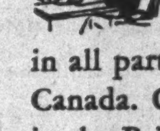

The wide distribution of bank ownership is indicated by the fact that 36,574 individuals, living in all parts of Canada, hold shares in the Chartered Banks of Canada. Of the remaining shareholders, 8,987 live elsewhere in the British Empire.

Some further facts about Canada's Banks:

There are 4,369,740 savings deposit accounts in the Chartered Banks of Canada, averaging $391 each. Safeguarding the funds of depositors is a primary function of commercial banking. Banks keep themselves in such a position that anybody going to the bank to withdraw his savings can get his money. Banks, like any other business, exist because they provide service which a community needs and is willing to pay for at a rate which will yield a reasonable return.

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Canada's Base Metals

Lifts Curtain on Metals Front

Howe Reveals Details of Progress Made Since War's Outbreak

By GORDON M. GRANT

Drawing back the curtain of wartime censorship on Canada's base metal production, Hon. C. D. Howe last week revealed Canada as "the greatest base metal exporting country in the world."

Neither this information nor the simultaneous announcement that output of aluminum is more than six times that of 1939 came as a particular surprise to people following developments in our non-ferrous metals industry closely.

More intriguing were certain details on quantity production; not full details by any means, but figures which showed the way the wind is blowing. For instance, a statement by Mr. Howe that aluminum output "is now greater than the total 1939 production of the rest of the world" would mean we are producing as much as 1.3 billion pounds of aluminum per annum. That was the world output, excluding Canada, for that year.

Output Up to Schedule?

While no comparable 1942 figure is available for Mr. Howe's 1943 estimate of nickel-copper-lead-zinc production of 827,800 tons (1939 was 662,100 tons), still the 1943 estimate suggests an earlier estimate of 1.3 million tons for all non-ferrous production in 1943 may be well on the way to being fulfilled. (Aluminum production of 500,000 tons for 1943 implied by Mr. Howe's statements.)

If non-ferrous metal production does total 1.3 million tons this year, it will represent an increase of approximately 200,000 tons over 1942—and of 45% over 1939.

Mr. Howe's figures on the proportion of United Nation's metal requirements now filled by Canada revealed that Canada is shouldering a much larger part of the job of producing metals than back in 1939.

Canada's present share in filling the United Nations metal demand is covered in column one of the table below while column two shows Canada's 1939 output as a percentage of what was produced in 1939 by the United Nations group as we now know it:

CANADA'S SHARE GROWS

	Today %	In 1939 %
Aluminum	40	24.2
Nickel	95	84.9
Zinc	20	17.1
Copper	12.5	11.7
Lead	15	13.9
Mercury	20	nil

In addition, Mr. Howe pointed out that Canada is now producing magnesium not turned out in 1939 while bulk of the United Nation's requirements for asbestos are being met.

One of the most significant aspects of Mr. Howe's speech was his reference to Canada's increasing self-sufficiency in scarce strategic minerals.

Noting that "we were lacking in such essential metals as tin, tungsten, molybdenum, mercury, chrome and manganese" at the beginning of the war, Mr. Howe declared that by later in the year Canada should be well on the way to self-sufficiency in tungsten and that molybdenum output should take care of the major part of our requirements, while Canada has become one of the world's most important mercury producers, exporting in substantial volume.

Where Output Comes From

Canada was mentioned as possessing one of the most important tungsten discoveries on the continent. Mr. Howe was obviously referring to the Emerald Tungsten property in southern British Columbia which should reach production shortly.

Two properties were mentioned by Mr. Howe as the basis for the substantial production of molybdenum envisaged for later this year. No names were mentioned but Mr. Howe was obviously referring to Dome's Preissac property, in northwestern Quebec, and Wartime Metals Corp. operation in LaCorne twp., Que., which has already reached production.

The Dome property, now operated by Indian Molybdenum Mines, has experienced some delay in its production plans, but is making better progress now.

The search for strategic minerals was linked by Mr. Howe with building up of stockpiles of strategic minerals.

Unofficial reports for some time have suggested that Canada has been able to stockpile considerable quantities of such things as tungsten, chrome, tin, etc. Substantial inventory values for stockpiles were shown in recent figures released by the Dominion Government. While the need for strategic minerals is still being stressed, it is believed that officials are more concerned with requirements for a few years ahead than for what is needed for industrial production a month hence or even a year hence.

When Mr. Howe stressed that not only had existing operations been expanded and old mines reopened, but that marginal ore bodies were being tapped, he was, in effect, acknowledging that Canada's war effort on the metals front had become an all-out affair as far as developed mineral deposits are concerned.

Dom. Magnesium Works On Lowering Its Costs

Government Owned Plant's Costs Exceed Estimates But Capacity Production Reached at Times

Dominion Magnesium's costs of production have been above original estimates but reduction is expected, Hon. C. D. Howe, Minister of Munitions and Supply, revealed to the House of Commons. Mr. Howe said:

"Costs are steadily declining and will be further reduced when full capacity is reached and when certain contemplated improvements together with increased skill in mechanical operation are achieved."

Average cost of producing magnesium from Oct., 1942, to March 31, 1943, was 41.02c. a lb. Average operating cost in March was 36.042c. a lb. while total cost is given at 39.709c. a lb.

Capacity production of 10 tons of magnesium metal daily is stated to have been attained frequently and average production for March was 8.5 tons a day.

Advances $4.2 Millions

Production of magnesium to April 30, 1943, totalled 1,186 tons to April 30, 1943, Mr. Howe stated. Total advances to Dominion Magnesium are $4.2 millions made up of $3.3 millions capital cost and $820,000 for working capital.

No advance estimates were released for what magnesium would cost under the Dominion Magnesium process, it is recalled. Chief advantages claimed for the ferro-silicon process are the speed with which production can be obtained, low plant post, and a possible lower power consumption than for some alternative processes.

Research Continuing

Research work is continuing on the ferro-silicon process and this may be an important factor in further reduction of costs. "Tuning in" a new metallurgical plant always means the ironing out of a number of "kinks" and it appears Dominion Magnesium has had a number of these to contend with.

After the war, reduction of the price of ferro-silicon (used in magnesium production) may bring the price of magnesium down still further. Ferro-silicon is made in peacetime with off-peak electric power. Just now there is little off-peak power available and more expensive electric energy must be used.

Drill Deep Hole Strawhat Lake

May Cut Deposit Around 800 ft. Depth—Results Continue Favorable

Continued drilling at the Sherritt Gordon-Frobisher Exploration Co. iron ore property at Strawhat Lake has given further favorable results, The Financial Post is informed, and a deep drill hole is now being put down to test the deposit at depth. With the hole at an incline of 45 degrees, it is thought the ore body should be encountered around the 800-ft. horizons.

The drill in use has a capacity of about 1,200 ft. depth and drilling of a number of deep holes could step up tonnage indications at a very rapid rate, it is pointed out. Located only about 10 miles from Steep Rock Iron Mines "B" ore body, the Strawhat body shows many similarities but it is located under a smaller lake and is more readily accessible.

Much Exploration Necessary

Drilling so far carried out has touched but one corner of Strawhat Lake and officials will want much more information on the size of the deposit before proceeding with actual development. There is a lot of drilling to be done and detailed exploration of the area under the lake may have to await formation of ice over the lake again next winter. Some thought is being given to drilling from barges in the lake this summer, however, and if this is found feasible, the whole development program may be set ahead considerably.

New Ore For Michipicoten

Further work at the other joint Sherritt Gordon-Frobisher Exploration Co. enterprise—Michipicoten Iron Mines—has been extending the tonnage of hematite ore outlined. It is understood that an important intersection of high-grade hematite was made at the 1,000-ft. level to the east but details have not been released.

Shaft sinking is proceeding and another level will be opened up shortly, it is anticipated. Negotiations are understood to be in an advanced stage for Dominion and U. S. Government agencies to assist in placing the Michipicoten properties in production. A large tonnage of siderite iron ore has been outlined by drilling at the Ruth property owned by Michipicoten Iron Mines which is in close proximity to the Josephine mine where development is most advanced.

Big East Mica Mines has been incorporated with an Ontario charter. Authorized capital is 250,000 $1 par shares.

NewGeography At Steep Rock

Big Tunnel Driven 1,000 Ft.—Blackstock is Executive Vice-president

Rapid progress is being achieved on Steep Rock Iron Mines development program, company and government officials found on their visit to the property last week. By-passing of the Seine River around Steep Rock Lake — instead of through it—is now expected to be finished next October. This will be the signal for the pumping out of the lake as a preliminary to open pit mining of ore bodies below its surface.

Geography will undergo some rapid revision in the Steep Rock area in coming months. Marmion Lake at present drains into Steep Rock Lake to the south but the channels into Steep Rock Lake are now being blocked and Marmion Lake waters in the future will pass into Finlayson Lake, through new channels being cut to connect wit the east side of Finlayson Lake.

A tunnel is being driven at the south end of Finlayson Lake to lower its level by 50 ft. A surface drainage cut above it is being completed and will eventually replace the tunnel.

Marmion Lake waters will thus flow into Finlayson Lake, continuing through it to the new southern cut which will allow the water to flow into the west bay of Steep Rock Lake, which isn't to be drained. This will effectively isolate the part of Steep Rock Lake to be drained.

Tunnel Near Completion

Many parts of this program are already on the way to completion. The 1,300-ft. tunnel at the south end of Finlayson Lake has only 300 ft. to go to be completed. The surface cut above it is being driven through glacial sand and gravel. A channel has been slashed through bush and muskeg leading into the west bay of Steep Rock. Work is well advanced on the rock cuts between Marmion and Finlayson Lakes. A small lake in between, Raft Lake, is disappearing in the course of this work.

When Steep Rock Lake drainage begins, it is estimated that big pumps, capable of handling 300,000 gallons a minute, will lower the lake level six inches a day, operating at capacity. After the lake has been lowered 80 ft., "B" ore body will begin to emerge and preparation of the ore body for mining will commence.

Three New Directors

A board of directors meeting was held at the property and following this President D. M. Hogarth announced Lt.-Col. G. G. Blackstock had been elected executive vice-president. In announcing election ot three new directors, President Hogarth emphasized that control and direction would remain in Canadian hands.

Officers and directors are: Cyrus S. Eaton, Cleveland, chairman; Maj. Gen. D. M. Hogarth, Toronto, president; Lt.-Col. G. G. Blackstock, Toronto, executive vice-president; Julian G. Cross, Port Arthur; Bethune L. Smith, Col. Eric W. Phillips, Toronto; George Allen, Washington.

Included in the inspection party were Dr. T. H. Hogg, chairman, H.E.P.C. of Ontario, Morton Macartney, head of the R.F.C. self-liquidating division, W. R. Daley, president of Otis & Co., M. H. Barber, vice-president of Cleveland Cliffs Iron Co., Hugh M. Roberts of Duluth, and T. A. Richardson, president of the Toronto Stock Exchange.

Metal Statistics 1943 Feels War Censorship

A standard guide to production of the chief minerals by the various countries of the world, "Metals Statistics 1943," published by American Metal Market, New York, at $2 a copy, portrays the difficulties war has brought to the statistician.

Due to censorship, details on war minerals have become largely unavailable. This situation, which had existed in many countries since 1939, extended to the United States in June last year.

A feature of the 1943 edition is record of prices of the various metals over a long range of years.

Moneta Porcupine Mines will cease milling operations in another week or two, it is indicated in a statement of President Walter E. Segsworth, at the annual meeting. Mr. Segsworth revealed that the company is still "looking hard" for a new gold mine and that the directors do not want the company to become a holding company. Exploration is being carried on in the North West Territories in conjunction with Leitch Gold Mines through a joint undertaking, Leta Explorations Ltd.

Mining Concentrates

British Dominion Oil & Development informs the Toronto Stock Exchange that June 5 installment, comprising an underwriting on 80,053 shares has been paid. Issued capital is three million shares with the total authorized capital now outstanding.

* * *

Dominion gold output showed an increase in March totalling 347,682 ounces compared with 327,404 ounces in February and 439,203 ounces in February, 1942, according to DBS statistics. The increase in production in March is believed to be due to a larger number of days than February.

* * *

Metalore Mining Corp. has been carrying on a program of surface exploration recently and diamond drilling is to get under way shortly, it is reported. Its property is adjacent to Normetal Mining Corp., Abitibi Co., Quebec.

* * *

National Malartic Gold Mines annual meeting approved amendment of the original financing agreement, providing that the company will not give notice of formation of a new company until at least nine months after the end of the war and that certain stock options will run on longer than three years after the war.

* * *

Silbak Premier Mines milled 9,041 tons of ore in May with a net smelter recovery of $77,275, it is reported.

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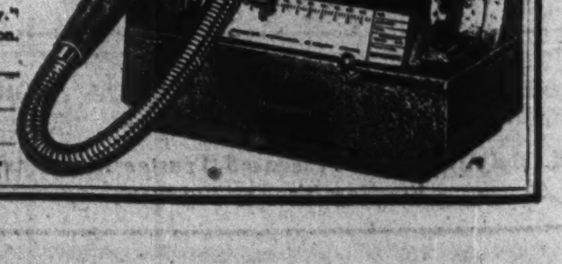
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